Ontario Lottery and Gaming Corporation

Société des loteries et des jeux de l'Ontario

Annual Report

2000 - 2001

Table of Contents

103-03258/

2 Letter of Transmittal
3 Message from the Chair and CEO

The New Ontario Lottery and Gaming Corporation
6 Our "Trustmark" – A New Look, A Shared Outlook
7 Who We Are
8 Mission
8 Policy Objectives
8 Core Values

A Multi-Billion Dollar Responsibility
9 Numbers – A Universal Language
10 Where the Money Goes
12 The Ontario Trillium Foundation
13 OTF Community Grants 2000/2001
13 Charity Casino & Slots-at-Racetrack Income Allocations
14 Corporate Sponsorship
15 Social Responsibility
20 Security and Integrity

Wired!
22 The Internet Initiative

Lotteries
25 Who Plays Lotteries?
25 What Do Winners Do with Their Cash?
25 Let's Celebrate!
26 Faster, Smaller, Smarter
27 Lottery Business Unit Report Card: Straight I's
28 SUPERSTAR BINGO!
29 The Name of This Game is Performance
30 Winner Take All!
30 Behind the Scenes
31 A Bonanza of Firsts
31 Lottery Sales as of March 31, 2001

Commercial Casinos
33 Engines for Economic Growth
33 Big Numbers, Big Hearts
33 The Roll of the Dice

Casino Windsor
35 One of the Most Profitable Casinos in North America
36 Casino within a Casino
38 It's Showtime!
38 Catalyst for a Billion-Dollar Decade
38 The Biggest Heart
40 Preserving History

Casino Rama
43 A Dramatic Transformation
44 Economic Development for All First Nations
45 Upping the Ante
45 On Track to Win
45 It's Swing Time!
46 Corporate Citizens, Corporate Neighbours
46 A Wellness Tradition

Casino Niagara
49 Niagara Falls Casino/Gateway Project
50 A Snapshot
50 Awards & Accolades
51 An Economic Bonanza
52 Casino Niagara Cares
53 Milestones!

Charity & Aboriginal Casinos
55 A History of Community Support
55 Consolidation and Reflection
56 Into the Wild – Casino Sault Ste. Marie
56 Out of This World – Brantford Charity Casino
57 Water & Glass – Point Edward Charity Casino
58 Fire & Water – Great Blue Heron Charity Casino
59 Welcome Aboard – Thunder Bay Charity Casino
60 Looking Forward – A New Thousand Islands Charity Casino
61 Charity Casino Statistics for 2000/2001

Slots-at-Racetracks
63 Winning Ways
64 Windsor's $12-Million Facelift
66 The Newcomers
68 On the Drawing Board
68 Slots-at-Racetrack Statistics for 2000/2001

Financials
69 Management's Responsibility for Annual Reporting
69 Auditors' Report
70 Financial Statements
84 Management's Discussion and Analysis

Advance Funding Program
86 Recipient Charities 2000/2001

95 Salary Disclosure 2000

96 Board of Directors

September 2001

Honourable Tim Hudak

Minister of Tourism, Culture and Recreation

Hearst Block

Toronto, Ontario

Dear Minister:

On behalf of the Board of Directors of the Ontario Lottery and Gaming Corporation, I have the honour to submit to you the Annual Report of the Ontario Lottery and Gaming Corporation for the fiscal year ended March 31, 2001.

Respectfully submitted,

Barbaro

Ron D. Barbaro

Chair

Board of Directors

Ontario Lottery and Gaming Corporation

The fiscal year 2000/2001 marks a milestone in the 25-year history of Ontario's gaming industry. I am pleased to report the successful amalgamation of the Ontario Lottery Corporation (OLC) and the Ontario Casino Corporation (OCC). With all the province's lottery and casino operations now integrated in one organization, we are moving forward confidently as a stronger and more efficient crown corporation. Our 6,300 employees in 22 locations across the province are united by a single mission: to provide patrons with a top quality, unique and entertaining gaming experience in a secure environment and a socially responsible manner, so as to create jobs, enhance economic development, promote tourism and generate revenue for the people of Ontario.

The dedication and commitment of our staff ensure the success of our corporation. Each individual in the new Ontario Lottery and Gaming Corporation (OLGC) is a vital part of a unified whole and the movement of staff and ideas between all four OLGC business units – commercial casinos, lotteries, charity casinos and slots-at-racetracks – is encouraged. Guided by our core values, including openness, initiative and integrity, the OLGC has created a positive work environment and a winning team that delivers.

All four business units have excelled this fiscal year. Together our gaming facilities attracted more than 38 million visitors and generated more than $3.1 billion dollars in gross gaming revenue during our first full year as a single corporation – an extraordinary achievement.

Our charity casinos and slots-at-racetracks have created 5,400 permanent jobs in Ontario and an annual payroll in excess of $175 million flows into local economies. In addition, host communities of charity casinos and slots-at-racetracks have received approximately $64 million in non-tax-related revenue.

The slots-at-racetrack program has revitalized the horse industry – the third largest agricultural sector in Ontario. The horse-racing industry employs 45,000 people throughout the province and spends more than a billion dollars a year. Pari-mutuel wagering is up an average of four per cent. Horse-industry revenues are re-invested in breeding and racing. And, everyone wins.

Ontario's commercial casinos, as a single business unit, attracted an impressive 19.6 million visitors. Casino Windsor set a new single-day attendance record with 38,000 visitors on New Year's Eve. In total, our three commercial casinos generated $1.8 billion in gross

gaming revenue for the people of Ontario. And this fiscal year, the stage has been set for a dramatic evolution of gaming business at both Casino Rama and Casino Niagara.

In June, project and a ceremonial ten-planting homeward Mnjikaning traditions during events marking the official start of construction of the Casino Rama Resort Hotel and entertainment centre – a $205-million project funded from casino net revenue. This four-star hotel development will enable Casino Rama to become a year-round casino resort and to capitalize on the momentum of four years of phenomenal growth since its opening.

This year, Casino Niagara concluded the deal that launches the Niagara Falls CasinoGateway Project – the largest single tourism investment in the history of the region. This permanent casino complex will provide 150,000 square feet of gaming space overlooking the Horseshoe Falls. The City of Niagara Falls has already received its first cheque under an agreement between OLGC and the City that will bring $2.6 million annually to the city over the next ten years. Combined with taxes, the monthly payments from the permanent casino will mean up to $7 million in annual revenue to the City. Both the City of Niagara Falls and the City of Windsor will receive $90 million over 20 years to deliver infrastructure costs created by the influx of visitors.

In February 2001, the Windsor casino initiative reached an important milestone with the opening of the Art Gallery of Windsor (AGW). Ontario Casino Corporation financing of more than $20 million to compensate for use of the former AGW building as an interim casino had been used to construct this new state-of-the-art facility.

"Every Day Millions Win." And, we mean it! The Lottery business unit, building on 25 years of tradition, continues to make winners every day in Ontario. Since its launch in January 2000, the CA$81 BOB LIFE Lottery has awarded more than $132 million in prizes. In April 2001, SUPERSTAR BINGO celebrated its fourth anniversary. As a unique partnership of the private, government and charitable sectors of Ontario, since its inception, SUPERSTAR BINGO has provided approximately $93 million to charity.

Similarly, the charity casino initiative, with support from our slot-at-racetrack program, has contributed $620 million annually to the Ontario Trillium Foundation –

supporting thousands of worthwhile causes throughout the province. Such contributions are one example of the care for staff, patrons and the wider community that is a central part of our corporate culture. Other examples of our commitment to social responsibility include support for research, education, prevention and treatment of problem gambling, medical response programs in our public facilities, and various policies that ensure a safe and secure environment for our patrons and host communities.

This fiscal year, the OLGC made a total leap into the world of cyber communications and business. Consider that one billion people will have internet access by year 2005, and that 62 per cent of Ontario residents have access to the internet today. The internet initiatives will allow us to provide information on the world wide web and to improve communications with various stakeholders, including within and between our own departments. This initiative will maintain the OLGC's position as a leader in the world's gaming industry.

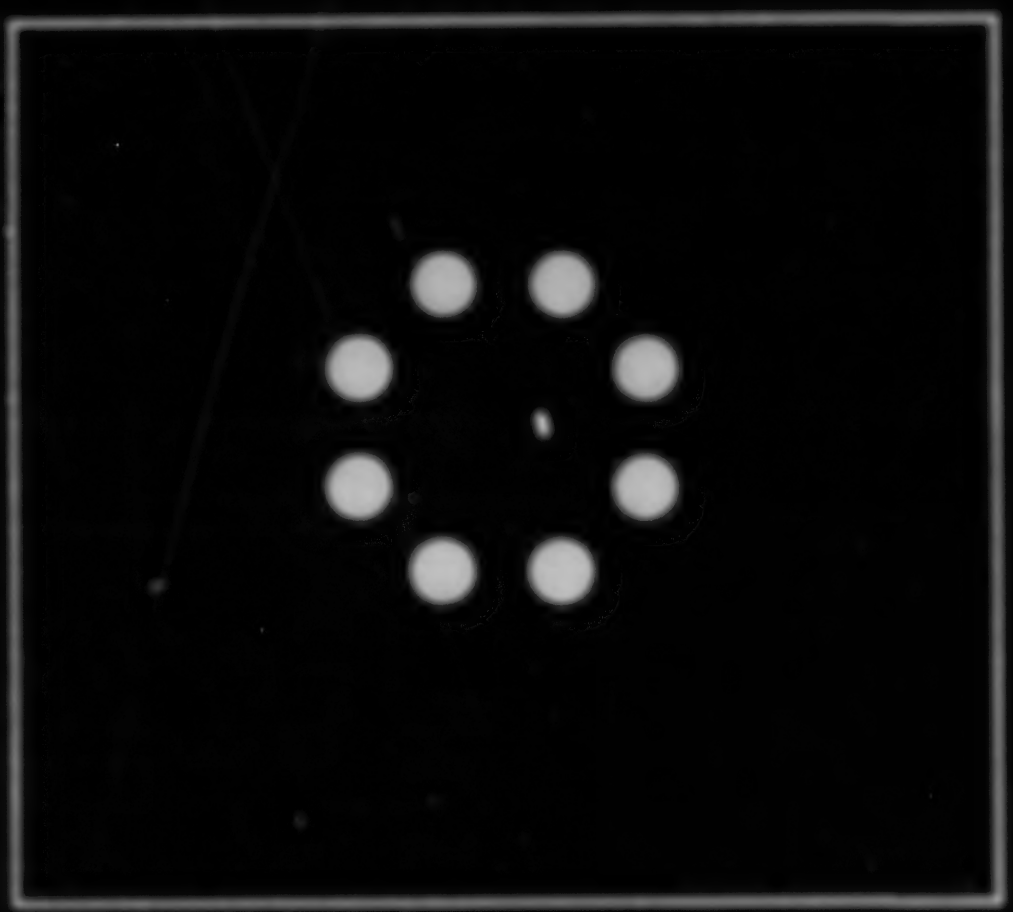
Finally, I would like to congratulate the members of OLGC's Board of Directors for their leadership and awareness and thank them for their support in all of our tasks. I also take pleasure in acknowledging our previous asset, which does not appear in our financial statements: our executives and their support staff. It is their tireless dedication to strategic planning and to meeting goals and deadlines that have made the new OLGC such a success.

Ronald Barbaro

Chair and CEO

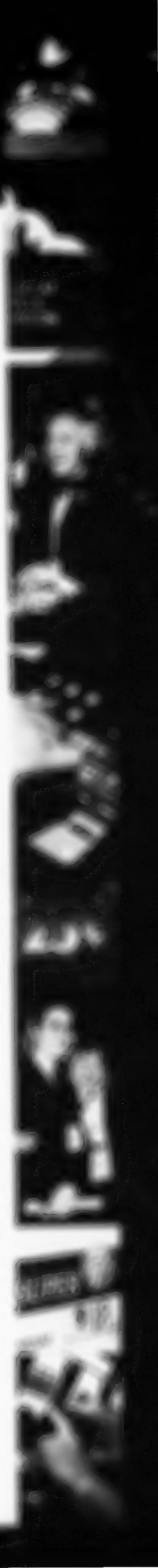
Ontario Lottery and Gaming Corporation

Our "Business" – A New Look, A Shared Culture



Our new corporate symbol provides a new visual identity, symbolically incorporating the core values of the OLGC and its proud heritage, of trust and integrity. The Trademark reflects the expansion of operations and services within all four lines of business.

The familiar bold red triangle with its yellow dots communicates a unified voice. The eight dots create a circle or "O" that signifies a commitment to the people of Ontario. While evoking the fun and entertainment of games, the eight dots also represent our eight corporate values. (See page 6.)



[illegible]

[illegible]

"Every dot matters most." It's more than a corporate slogan, each OLG business line creates economic

The first full year of the charity casino and keno-at-racetrack initiatives has led to more than $98 million in new net revenue for Ontario communities. Communities use the money as they see fit for their unique local needs, whether directed toward charity, additional policing or new roads and infrastructure improvements.

Host municipalities of charity casinos receive two per cent of gross slot revenue. Since the program began in May 1999, these municipalities have shared a total of $12.3 million. Host municipalities of keno-at-racetracks are entitled to two per cent of the gross slot revenue for the first 402 slot machines, plus two per cent from machines over 402. These communities have shared more than $92 million since December 1998.

In addition, 22 per cent of the gross slot machine revenue at each racetrack is divided equally between the track's owners and those horse people. Since the program launched in 1998, they have shared more than $262 million.

To date, the OLG's four charity casinos and 12 slot facilities at racetracks produce a total annual payroll of $275 million that fuels local economies. In addition to the 5,402 direct jobs, there are also thousands of spin-off employment opportunities for suppliers and service providers. More than 19 million people have visited these gaming sites this fiscal year.

This year the commercial casinos also attracted 19.6 million visitors and generated billions of dollars for the people of Ontario. Revenues from all three commercial casinos support provincial programs, especially health care and education.

This year, the City of Niagara Falls received the first installment of its annual compensation for hosting a commercial casino under a new agreement for the Niagara Falls Casino/Convention Project. For the first ten years, the City receives $2.6 million annually, followed by an increase to $5 million a year for the second decade of the agreement. Combined with taxes, the

monthly payments from the permanent casino will generate up to $7 million in annual revenue to the City, while the Nawash First Nation will receive $5 million. To date, the City of Windsor has received $2.5 million in casino revenue under a similar compensation agreement.

During fiscal 2002/2003, Casino Rama distributed net profits of more than $499 million to be shared among Ontario's 134 First Nations under the newly negotiated Casino Rama Revenue Agreement, which came into effect on June 9, 2002. The total includes the approximate $402 million that had accumulated prior to the agreement. One hundred per cent of the money will benefit First Nations communities by acting as a catalyst for economic growth and self-sufficiency.

Our network of 10,000 retailers who sell lottery products reported income through commissions of $154.9 million in fiscal year 2002/2003. Commissions on sales and redemptions account for more than seven per cent of total sales.

All four OLG business lines have thrived during fiscal 2002/2003, creating new jobs and generating economic development in all our host communities and throughout the province.

Ontario has the best-funded problem gambling program in North America. The Ontario Government has allocated two per cent of the annual gross revenue from slot machines at charity casinos and slot facilities at racetracks with a guaranteed minimum of $12 million annually to the Ministry of Health and Long-Term Care for problem gambling research, treatment, prevention and public awareness. Approximately $17 million was paid out in fiscal year 2002/2003.

Francis Bacon, the famous 16th century English philosopher, once said that there is no such thing as excess in charity. We, at the OLG, agree. Since 1975, $14.7 billion generated from OLG gaming proceeds has gone to support thousands of worthwhile causes throughout Ontario.

The OLG's TV ad campaign "What Do Lottery Winners Look Like?" first aired in January 2003.

The Ontario Trillium Foundation

The Ontario Trillium Foundation (OTF), an agency of the Ministry of Tourism, Culture and Recreation, receives annually $100 million in government funding generated through Ontario's charity casino initiative. The Foundation works with others to make strategic investments with the goal of building healthy, caring and strong economic communities in Ontario.

The provincial government established the Foundation in 1982 with funds generated by the former Ontario Lottery Corporation for the benefit of community-based social service organizations. In 1999, the Government of Ontario approved a ten-fold increase in funding to the Foundation, enabling it to provide support to non-profit and charitable organizations in Ontario in four sectors: Arts and Culture, Sports and Recreation, Human and Social Services and Environment.

OTF has two main granting programs: Community and Province-Wide. More than 300 local volunteers, working together in 16 regional Grant Review Teams, consider community grant applications and recommend funding for projects that meet the needs of their communities. The Foundation's Board of Directors oversees the approval of both grant programs.

The Community Grants Program allocates about $78 million each year in per-capita funding, ensuring that all parts of the province benefit equally. The Province-Wide Grants Program allocates approximately $19 million annually to initiatives that benefit all or several parts of Ontario. The OTF also administers a small Partnership Program.

In 2000/2001, OTF approved 1,372 Community Grants worth $78,210,521, 124 Province-Wide Grants totaling $20,963,400 and 15 Partnership Grants worth $2,738,400. Because some unexpended funds were carried forward from previous years, the Foundation was able to provide total funding of $101,712,321 to non-profit and charitable organizations in Ontario this year.

OTF Community Grants 2000/2001

Catchment Area		Amount	Grants
Algoma, Cochrane, Manitoulin & Sudbury	$	3,038,900	92
Champlain		7,668,800	156
Durham, Haliburton, Kawartha & Pine Ridge		5,816,600	96
Essex, Kent, Lambton		4,302,600	86
Grand River		1,550,400	60
Grey, Bruce, Huron & Perth		2,085,900	48
Halton-Peel		8,224,100	99
Hamilton		3,671,621	56
Muskoka, Nipissing, Parry Sound & Timiskaming		1,587,551	70
Niagara		3,371,600	79
Northwestern		1,739,300	44
Quinte, Kingston, Rideau		2,953,200	73
Simcoe-York		7,312,100	105
Thames Valley		4,307,800	73
Toronto		15,830,500	167
Waterloo, Wellington & Dufferin		4,508,100	67
Sub-total:		77,969,072	
Adjustments (Rescinded or modified grants) (1 grant rescinded), (2 grants modified)		41,449	1
Total Community Grants:	$	78,010,521	1,372
Province-Wide Grants	$	20,963,400	124
Partnership Program Grants	$	2,738,400	15
Total all grants	**$**	**101,712,321**	**1,511**

Charity Casino & Slots at Racetrack Income Allocations

The Province received $673 million from the OLGC's charity casino and slots-at-racetrack programs this fiscal year.

Ministry	2000/2001
Ministry of Health and Long-Term Care (Operation of Hospitals)	$ 556 million
Ontario Trillium Foundation	$ 100 million (guaranteed annually)
Ministry of Health and Long-Term Care	$ 17 million (guaranteed $10 million minimum annually for problem gambling programs)
Total	**$ 673 million**

Corporate Sponsorship

You may wonder what ice sculptures, Christmas baskets, a language conference and a small-town "friendship festival" have in common. This year, it's the OLGC, as we sponsor community events that make a difference in Ontario. We believe in being more than a good corporate neighbour. We strive to be a friend of the communities in which we work, particularly the host communities of our charity casinos, slots-at-racetracks and commercial casinos.

OLGC along with the Brantford Charity Casino was a proud sponsor of the annual Christmas Baskets Campaign 2000. The OLGC in partnership with the Sudbury Racetrack Slots also provided financial support for announcements on local television to encourage responsible and safe drinking over the holiday season.

While Christmas is traditionally the season of giving, of course, the OLGC's role as a corporate sponsor is a year-round commitment to community:

- The OLGC and Thunder Bay Charity Casino sponsored the printing of the catalogue for the Northern Contours exhibition at the Thunder Bay Art Gallery in March.
- In Sault Ste. Marie, host to one of our four charity casinos, OLGC helped sponsor the Anishinaabemowin Teg Inc. 7th Annual Language Conference as well as the opening ceremonies of the Bon Soo Winter Carnival, which is the second largest winter festival in Ontario. It features more than 130 indoor and outdoor events, including the famous Polar Bear Swim.
- In Milton, the OLGC and Mohawk Racetrack Slots were Platinum sponsors this year for the Milton Chamber of Commerce – Community Awards Gala.
- The OLGC, the Point Edward Charity Casino and Hiawatha Racetrack Slots sponsored SNOWFEST's diamond anniversary ice-sculpture competition. Hundreds of people converged on Sarnia with ice picks, shovels and pure imagination to transform eight-cubic-foot snow blocks into works of art. SNOWFEST 2001 attracted world-class snow sculptors from around the world – Great Britain, France, Argentina, Germany, Bulgaria and Hong Kong.
- The OLGC was a first-year sponsor of Carn-Val Centre in Cornwall – a special meeting place where young and old come together in a festive celebration of games and crafts. Local seniors' clubs welcomed the sponsorship, which gave its members a chance to ride in a horse-drawn sleigh and to get a close look at spectacular snow and ice sculptures.
- The OLGC also sponsored the Walkerton Friendship Festival. More than 1,000 people enjoyed a day of music, comedy and special entertainment on the OLGC Centre Stage.

In dreams begins responsibility.

W. B. Yeats (1865–1939), Irish poet and playwright

Social responsibility is an integral part of the OLGC corporate culture and manifests in several ways throughout our organization. From the front-line worker in our commercial and charity casinos and slots-at-racetrack facilities who must be sensitive to potential problem-gamblers, to the restaurant shift-supervisor who acts quickly to alert police to a customer passing counterfeit money and the group of office colleagues who are moved by a shared spirit of generosity to sponsor needy families at Christmas, each individual has a role to play. We are the sum of our people. Our corporate values are encouraged at the grassroots level of the OLGC. Integrity, openness, respect, initiative and professionalism are core values that enable us, as a whole, to earn the trust of the people of Ontario.

The principles of the First Nations' traditional Medicine Wheel guide the social agenda for Casino Rama as it recognizes its unique responsibilities to First Nations people to balance the mental, spiritual and emotional health of its communities. Its Wellness Program addresses a broad range of needs. Casino Rama reaches out to create economic opportunities that encourage community pride and self-sufficiency.

All gaming sites consider it a responsibility to their patrons to be ready to respond to one of the most common and serious medical emergencies, cardiac arrest. Under the innovative Emergency Medical Response program, staff are trained to use defibrillators that can mean the difference between life and death for anyone who has gone into cardiac arrest. (A recent study of US casinos found in those that were equipped, more than half of heart attack victims survived, dramatically surpassing the normal survival rate of less than five per cent.) The program was successfully put to the test recently at the Woodbine Racetrack Slots in Toronto where an alert employee saved a patron.

Posters promoting responsible gambling are displayed at all OLGC gaming sites.

As one of the most profitable casinos in North America, Casino Windsor is an economic powerhouse. But, it is also a proud corporate neighbour contributing to the social well-being and health of its community and surrounding area. Recently cited by a local business

publication, as Windsor's most generous corporate sponsor, Casino Windsor contributes to more than 400 charities through its Casino Windsor Cares program.

Integrity – one element in the new corporate Trustmark that defines the OLGC – requires a high level of personal responsibility in each of our 6,300-strong staff. Dealers, cage employees, slot-machine technicians, auditors, pit bosses, security guards and even serving staff who have access to the gaming floor must undergo strict background checks and be registered by the Alcohol and Gaming Commission of Ontario.

The basis for the trust we enjoy from the Ontario public has been earned over a history of more than 25 years that began with the introduction of the first provincial lottery. In an increasingly competitive and lucrative global gaming market, the OLGC pledges the highest standards of corporate conduct. As one example, OLGC's gaming system functions independently from the draw procedures. Our draw machines are designed to ensure absolute randomness in the selection of winning numbers.

As an active partner with the government in setting the highest standards of social responsibility, the OLGC deducts delinquent family support payments from lottery prizes of $1,000 or more on behalf of the Family Responsibility Office.

For most people, gambling is a popular, harmless form of entertainment, enjoyed without any adverse consequences. Consider that almost every adult in Ontario at one time or another, has purchased a lottery ticket to try their luck at getting the magic combination of numbers. Since the first commercial casino opened in 1994, Ontario's three commercial casinos have welcomed more than 105 million visitors – triple the population of Canada!

However, there is a small percentage of individuals for whom gambling becomes a problem. Unlike other addictions, compulsive gambling is often a hidden disorder. According to one recent study by the Calgary-based Canada West Foundation, problem-gambling affects 5.8 per cent of Ontarians. This represents the most significant social challenge faced by the gaming industry. It is a responsibility the OLGC faces head-on.

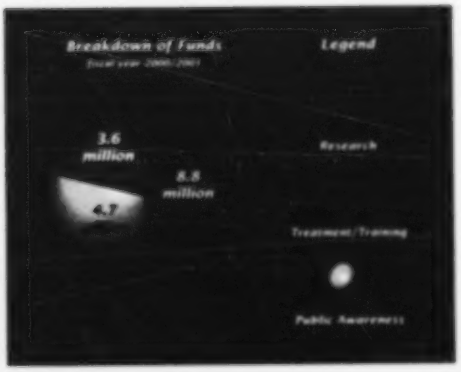
The Ontario Government allocates more money than any other jurisdiction in North America to search for answers to the complex issues of problem-gambling. Two per cent of the annual gross revenue from slot machines at charity casinos and slot facilities at racetracks, with a guaranteed minimum of $10 million, goes to the Ministry of Health and Long-Term Care. The money supports innovative research into problem-gambling as well as programs of prevention, treatment and education. For fiscal 2000/2001, approximately $17 million was allocated for these purposes.

$8.8 million for treatment and training

The Ministry of Health and Long-Term Care has designated the Ontario Substance Abuse Bureau (OSAB) to oversee and manage the government's problem-gambling strategy. In turn, the OSAB has designated 45 agencies across Ontario to work at the grassroots level, providing problem-gambling treatment and prevention/awareness services within each community. These designated agencies are directed within the Ministry's seven regions: North, East, Central East, Toronto, Central West, Central South and South West. In addition, 11 pilot projects around the province are targeting specific populations. For example, this year, part of the money has been directed to develop a bilingual program in Ottawa, one of the province's first multi-cultural problem-gambling programs at Hotel Dieu in St. Catharines and a special program targeting women problem-gamblers is under way in several major centres across the province.

An Aboriginal Responsible Gambling Steering Committee will oversee funding for an Aboriginal Responsible Gaming Strategy to mitigate the adverse effects of problem-gambling within First Nations communities. This project was allocated $1 million for education, training and treatment.

Funds have also been allocated to education and



training for problem-gambling counselors and related professionals.

$3.6 million for research

Under the Government's problem-gambling allocation, the Ontario Problem Gambling Research Centre (OPGRC) officially opened its doors in November 2000 to coordinate research, focussing on areas that have not been fully explored to date. Specific populations such as the elderly, the young, aboriginals and women, all present unique challenges in developing customized and effective treatment programs. In addition to funding promising students through fellowships, OPGRC is currently responsible for close to 30 research projects. Interest in this research-funding program has been high and grants have been awarded to 11 Ontario

universities and agencies for research and to disseminate their latest findings about compulsive gambling. The University of Guelph, for example, received $168,962 to study gambling and risk behaviour among college and university students.

The Research Centre operates at an arms-length agency to the Ministry of Health and Long-Term Care. Researchers hope to advance our understanding of gambling and problem-gambling. They will develop and test new models of treatment and service delivery for problem gamblers. The potential to extend the frontiers of research in the 21st century should attract some of North America's most talented researchers. Potential projects include:

- market segmentation studies of problem-gamblers
- development of models for prevention and for integrated treatment systems
- an interactive computer-based video-conference for the academic research community, service providers and the public

For further information about OPGRC, their toll-free number is 1-877-882-2224. Their email address is info@gamblingresearch.org.

$4.7 million for public awareness

The anonymous proverb, "an ounce of prevention is better than a pound of cure," guides our public education strategy. Patrons, employees, families and stakeholders in the gaming industry have a vital and shared interest in understanding and identifying the early signs and complexities of problem-gambling.

Under the auspices of the Canadian Foundation on Compulsive Gambling, the OLGC does not simply provide funding, we are a key member in Ontario Partners for Responsible Gambling. This group includes representation from Ontario's Ministry of Tourism, Culture and Recreation, Ministry of Health and Long-Term Care; the Ontario Problem Gambling Helpline; the Ontario Horse Racing Industry Association; the Provincial Bingo Charity Association; the Centre for Addiction and Mental Health and the new Ontario Problem Gambling Research Centre. Together, this blue-ribbon committee contributed to the development of a comprehensive public awareness campaign. The OLGC (and its predecessors, the Ontario Casino Corporation and the Ontario Lottery Corporation) has also been a member of the Ontario Problem Gambling Advisory Committee since 1994.

"Until recently, these funds will improve our ability to understand how and why some people develop gambling problems and how to intervene most effectively to prevent problems and provide treatment."

Dr. G. Ross Ferris – Director of the Problem Gambling Research Group, University of Windsor

Our commitment is to deliver gaming entertainment in a socially responsible manner. The OLGC has established its own internal policies and programs to raise the awareness of problem gambling with employees and patrons. All gaming sites are partners in this important effort, which includes a patrons' self-exclusion program.

Recognizing that employees themselves may also be susceptible, the Canadian Foundation on Compulsive Gambling assisted the commercial casinos in setting up special training sessions for employees and a program for staff who are concerned about their own gambling.

Casino Rama provides additional funding to the Mnjikaning First Nation for programs in its own and neighbouring First Nations communities. Supervisory staff undergo one-on-one training through a series of "Keep the Fun In Gambling" in-house educational sessions.

The OLGC has also now posted the toll-free Ontario Problem Gambling Helpline number on all slot machines at all charity casinos, commercial casinos and slot facilities at racetracks. The Helpline number (1-888-230-3505) provides 24-hour information and referrals, seven days a week in many languages. The number is also included via a tag-line on lottery tickets as well as in the white and yellow pages of telephone directories throughout Ontario.

Socio-economic impact studies

What happens to the social fabric of a community selected to host a charity casino? Socio-economic impact studies have been launched in the first four communities to host charity casinos. The study will, over time, compare social and economic factors in these communities before and after the opening of the gaming facilities. The four pre-opening surveys of the socio-economic impact studies were conducted and completed during the fiscal years 1999/2000 and 2000/2001. Ongoing research will be conducted in Brantford, Point Edward (and Sarnia), Sault Ste. Marie and Thunder Bay.

Security and integrity, as fundamental planks in our commitment to the people of Ontario, go well beyond on-site and community policing. Crime prevention begins with a corporate message to all employees to play an active part in the ongoing security and integrity of all gaming sites and the conversion of all Lottery games. The Lottery Numbers unit monitors:

- Stores game sales
- Rapid game security utilizing the latest security techniques
- Establishes caps on games
- Stringent security in all areas
- Limits on amount of wagering accepted at retail outlets
- Payment of all tickets over $1,000
- Prohibitions on selling tickets and playing our games to minors

Protection of Minors

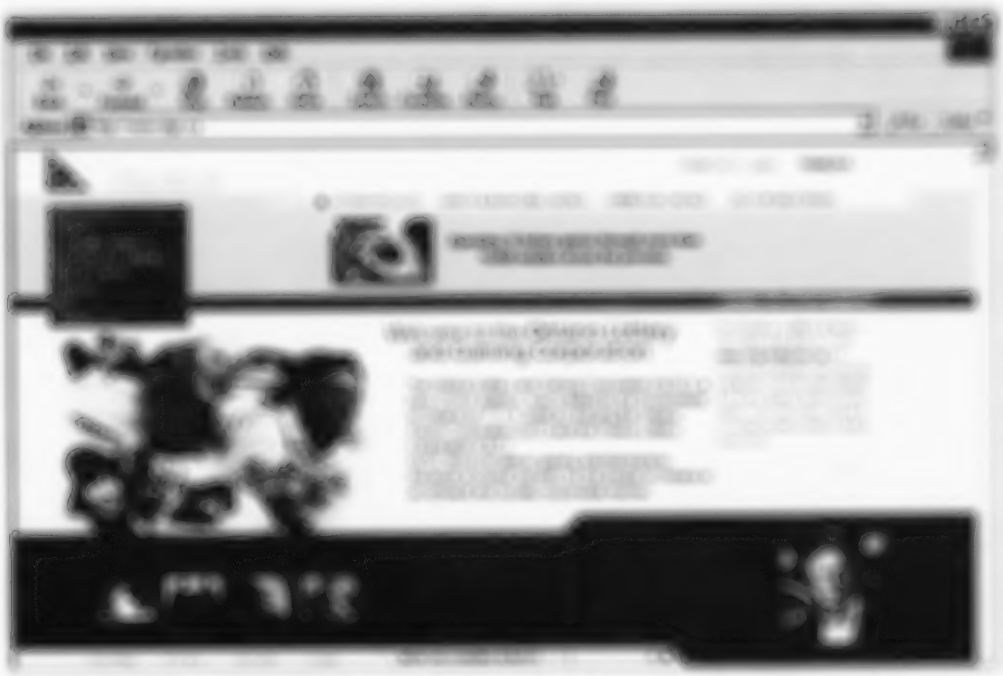
All gaming entertainment in Ontario is strictly regulated as a form of adult entertainment. Lottery games are no exception. The Ontario Lottery and Gaming Corporation Act, 1999, section 13(1) states: "No person who is authorized to sell lottery tickets and no person acting on such a person's behalf shall sell a lottery ticket to a person under 18 years of age." A retailer faces fines of up to $50,000 for violating this Act. If a corporation that employs the seller is found guilty, the fine could be as high as $250,000. The OLGC encourages the public to assist the police in reporting such offences.

Ontario leads the way in North America in introducing and enforcing strict gaming regulations particularly as they pertain to minors. Because the OLGC regards the protection of minors as a key part of its social contract with the people of Ontario, it has created many internal policies. "Three strikes and you're out." Three times charges of selling Lottery tickets to minors, retailers are prohibited from selling any Lottery products for one week. The retailer's Lottery products are not shelved for one month after a second offence. For the third offence, the OLGC can terminate the retailer's contract. To discourage minors from purchasing Lottery tickets, the OLGC prohibits anyone under the age of 18 from claiming a Lottery prize.

The OLGC makes every effort to educate its retailers about their responsibilities and policies, using regular newsletters and on-line terminal messaging. Messages are also printed on INSTANT and on-line tickets, on game rules and regulations and on selective slips.

At the government level, three Ontario departments share responsibility for the gaming industry. The Ministry of Tourism, Culture and Recreation is responsible for the

Congratulations to Mark Campbell, the first recipient of the 'crime prevention employee of the month' award presented by Niagara's Casino Police and Security division. As a civilian security officer for Canadian Niagara Hotels, he helped police solve a string of assisted robberies that had taken place in the summer of 2005.



Who Plays Lotteries?

One out of every two adult Ontarians plays lottery games regularly – at least once in any given two-month period. Eighty-eight per cent have played at least once, and an 2000, 31 per cent played at least once every week.

The average player spends $51.21 over a four-week period on lottery and break-open tickets. The vast majority (95 per cent) of players have completed high school or a post-secondary program.

What Do Winners Do with Their Cash?

The research-analysis firm, Goldfarb Consultants of Toronto tracks the experiences and spending habits of lottery winners on an ongoing basis for the OLGC. A survey of major winners ($50,000 or more) reveals that most of them (99 per cent) put the money in the bank. Fifty-nine per cent paid off their debts while 55 per cent shared their winnings with family or friends. Only five per cent report that they changed their overall lifestyle.

Thirty-seven per cent said that the media had contacted them and the majority (78 per cent) said they had received fair and courteous treatment. Twenty per cent were solicited for donations, and 69 per cent of major winners sought professional financial advice.

One third of lottery winners of $50,000 or more reported that they either retired, quit or changed jobs, went to school or opened their own business. Almost all of these lottery winners (90 per cent) sought professional financial advice.

Let's Celebrate!

With stakes, followed and second chances draws, OLGC celebrates top-prize lottery wins. OLGC's There's A Whole Lot of Winning Going On! program has been a great success. During Phase I, which began in October 1999, celebrations were held in stores for retailers who sold top-prize lottery tickets under OLGC core lottery products. These include LOTTO 6/49, SUPER 7, LOTTO 6/49, INSTANT BINGO, INSTANT KENO, INSTANT BATTLESHIP™, INSTANT CROSSWORD, ONTARIO INSTANT MILLIONS and CASH FOR LIFE. More than 150 celebrations took place at retail outlets across the province.

Retailer celebrations are great for building rapport among retailers, customers and the OLGC.

Alan Bartkowski, Senior Vice-President, Lottery, OLGC

Lotto 649 | Lotto SUPER 7 | Instant

In June celebrations bring the excitement closer to home for retailers and big winners

With the success of this celebration program, Phase II began on February 1, 2001 and will run until March 31, 2002. The second phase continues to bring the fun to retailers who sell top prize lottery tickets ($50,000 or more). But the OLGC now also celebrates its Exceptional Retailers. Each month retailers are chosen by OLGC based on business development, customer service and total prize redemptions. More than 90 Exceptional Retailers were recognized in February and March 2001.

Faster, Smaller, Smarter

Having completed our "Requests for Proposals" regarding new retailer terminals and web-server, the corporation is now considering tenders for replacement of OLGC's current low-speed network with a new, broad-bandwidth digital network. The results of a distribution study will determine the final size and look of the new retail network. But, the existing terminals will be replaced with new and compact PC-based units that offer various touch screen and space-saving improvements. This web-enabled technology will move the "intelligence" from individual terminals to the central server and will ensure the future of province-wide lottery games. This technology upgrade will achieve three important goals:

- Improved service to retailers
- More detailed reporting, improved security and accounting
- More choice to customers through new promotions, games and services

POINT SPREAD LOTTARIO OVER UNDER

Lottery Business Unit Report Card – Straight I's

Innovation

In addition to the new product launches of WINNER TAKE ALL in April, PRO•PICKS in September and Canada's first on-line gift packs for the Christmas holidays in November, the Lottery Business Unit developed an idea database that is used to communicate and track the development of new product ideas.

Improvement

To support continued growth in the lottery division, a Priorities, Planning and Development Team was initiated to guide and coordinate all activities of the lottery division including sales, marketing and product development. Under the team's guidance, a Lottery Project Management Office was created to provide standardized approaches to measurement, development and accountability for all lottery activities.

To track the effect of these significant changes, which include 55 initiatives to ensure the long-term success of the province's lotteries, the lottery division introduced activity reports. Overall, the sales force, the distribution processes and the Contact Centre have been finely tuned and focused during this year – raising individual and corporate performance levels to the highest standards.

Initiatives

To attract new customers while retaining current loyalties requires both an understanding of one's accomplishments and an instinct for innovation. The OLGC's internet initiatives to date have enhanced our capacity for providing the information that our customers want, while ongoing development in our communications infrastructure will permit us to take advantage of further opportunities for growth and change.

The lottery business unit has also scanned the retail landscape to identify opportunities for improved revenue in both new and existing channels. In July, players for the first time were allowed to purchase lottery tickets immediately after the LOTTO 6/49 and LOTTO SUPER 7 draws. Previously, players had to wait until the next day. PRO•LINE enhancements launched in September 2000 now include OVER/UNDER wagers and an expanded list of 99 events.

ONTARIO 49

SuperStar bingo

ENCORE ENCORE

- LOTTARIO, launched in 1978, was Ontario's first on-line lottery game
- On-line sales account for 65 per cent of total lottery revenues
- Still leading the pack is the most popular of them all, LOTTO 6/49, which was introduced almost 20 years ago

SUPERSTAR BINGO!

SUPERSTAR BINGO is a PC-based, electronically linked bingo game offered in partnership with the province's bingo charity associations and hall operators. The OLGC provides the central computer system that enables players in approximately 143 bingo halls across Ontario to play simultaneously for provincial jackpots. On June 14, 2000, a new record was reached when a jackpot of $835,503.76 was awarded at London's Pot of Gold Bingo Hall – not only the highest SUPERSTAR BINGO jackpot but the highest single Canadian bingo win ever!

SUPERSTAR BINGO continues to evolve in response to feedback from players and bingo industry partners. This fiscal year, OLGC introduced the SUPER*player* Club, in which members earn points toward club rewards, which are awarded automatically four times a year. More than 27,000 members enjoy the many benefits of the SUPER*player* Club. To pro-

INSTANT ticket sales topped $655 million this fiscal year.

daily KENO

PRO PICKS

Pick 3

Above: Chair and CEO, Ron D. Barbaro presents a cheque to a group of Brighton, Ontario co-workers who hit a $15 million jackpot playing LOTTO SUPER 7.

vide more entertainment value to players, OLGC began testing a new presentation structure that includes an information show before the game starts and a live caller through closed-circuit satellite broadcasts. Testing began in the winter of 2001 at selected halls, the results of which will be available in the new fiscal year.

SUPERSTAR BINGO is a unique sharing partnership of the private, government and charitable sectors of Ontario. Bingo hall operators, the Provincial Bingo Charitable Activities Association and the OLGC work together to share the benefits of this game.

Players	**48**	per cent through prizes
Charities	**21.5**	per cent through sales
Bingo halls	**11.5**	per cent of sales (as commission)
Government of Ontario (through OLGC)	**18.05**	per cent of sales (less operating expenses)
Registered Gaming Suppliers of Ontario	**.5**	per cent of sales
Provincial Bingo Charitable Activities Association	**.45**	per cent of sales

The Name of This Game is Performance

This fiscal year, the OLGC introduced a unique sports lottery and the first of its kind in the world to be marketed by a lottery jurisdiction. PRO•PICKS combines elements of the Vegas-style "Futures" game (players predict winners of future events with predetermined odds) with features of horse-race wagering. It can be applied to most sporting events and variations within the sporting event. Players bet between $2 and $100 on how well an athlete or team will perform compared to a list of other athletes or teams over a specified period of time (typically, one week).

It is a new concept that gives players more opportunity

to apply their knowledge and skill. Which quarterback will have the most passing yards this week? Which hitter will have the most total bases?

PRO•PICKS was introduced during the first week of September 2000 to coincide with the start of the professional football season. Market research indicated that this new game has broader appeal than traditional sports lotteries. Players are 80 per cent male, with 67 per cent between 18 and 39 years old.

Winner Take All!

On April 10, 2000, the newly-created OLGC launched its first lottery game. WINNER TAKE ALL is also Ontario's first on-line lottery game to guarantee a winner every night, seven days a week, 365 days a year. Lottery players can purchase a Quick Pick ticket for $1 any day of the week, and that night, a random draw selects a guaranteed winner from the tickets sold for that draw. The holder of the correct six-digit number wins the entire cash prize pool equal to half of the total day's cash sales. Tickets are on sale at 7,900 Ontario lottery retailers. The odds of winning the jackpot are based on the number of tickets sold that day.

Behind the Scenes

The OLGC's gaming system, which generates thousands of lottery tickets daily under strict security measures, functions independently from the draw procedures. Draws are conducted using Ryo-Catteau draw machines to ensure complete randomness of the winning number selection. This process is independent from the gaming system. The draw machines mix equally weighted numbered balls and as the balls drop out of the machine, draw staff and an independent witness record their numbers. After the ball drop is complete for each game, the selected numbers are entered into the gaming system and verified by an audit system to determine whether a winning ticket exists.

WINNER TAKE ALL, on the other hand, uses a draw computer, also separate and independent from the gaming system, to select a winner from valid entries. The sealed equipment is locked in the same secure location as the ball machines. These electronic draws are also conducted under the watchful eye of the independent witness. The winning entry position is entered into both the gaming system and the audit system to verify the winning number printed on the ticket.

Cash FOR LIFE

A Bonanza of Firsts

CASH FOR LIFE celebrated its first anniversary on January 19, 2001 and by the end of the fiscal year more than $110 million in prizes had been awarded. Twenty-five Ontarians won $1,000 a week for life. Taxes are not applicable on the principal portion. Annuity payments are guaranteed to the winner until her/his 91st birthday, or for a minimum of 20 years. The winner may bequeath the annuity prize to a beneficiary.

The success of CASH FOR LIFE has prompted each of the other Canadian provincial lotteries to offer their own version of the game.

On January 30, 2001, OLGC introduced the repurchase-prompt feature at its on-line retailers. The repurchase prompt makes it easier for consumers to replay a previous on-line selection without the need for a new selection slip. It is available on every ticket for 31 to 38 days from the last draw date. Repurchases are also available for WINNER TAKE ALL and ENCORE, but new Quick Pick numbers are selected by the gaming system.

The lotteries division also launched an INSTANT game, offering a top prize of $50,000, based on the popular TV game show Wheel of Fortune®. In partnership with CTV, the OLGC launched a consumer promo in which players had a chance to win three trips to California and audition for a spot on the game show.

In November 2000, the lotteries division introduced a Canadian first: the LOTTO 6/49 Gift Pack – each ten-dollar pouch contained a gift certificate for ten LOTTO 6/49 Quick Picks. Gift Pack sales surpassed $1.6 million. The ten-dollar Holiday Scratch Pack contained five INSTANT tickets, including FROSTY THE DOUGHMAN, HOLIDAY CHEER and HOLIDAY TREASURES. Scratch Pack sales reached almost $4.5 million.

Lottery Sales as of March 31, 2001

Product	Actual sales ($ millions)	% of total sales	Prizes ($ millions)
ON-LINE	1,294.5	60.0	633.4
INSTANT	655.2	30.4	348.3
SPORTS	166.7	7.7	81.7
SUPERSTAR BINGO	40.8	1.9	21.9
Total Product Sales	**2,157.2**	**100.0**	**1,085.3**

Commercial Casinos

Since the first commercial casino opened in 1994, Ontario's three commercial casinos have welcomed more than 185 million visitors.

Casino Windsor

Casino Rama

Casino Niagara

Pie Chart Legend

Gross gaming revenue

Number of patrons

Number of slots

Number of gaming tables

Number of employees

Ontario's three commercial casinos employ more than 11,800 people, bringing a combined estimated annual payroll of more than $417 million into local economies.

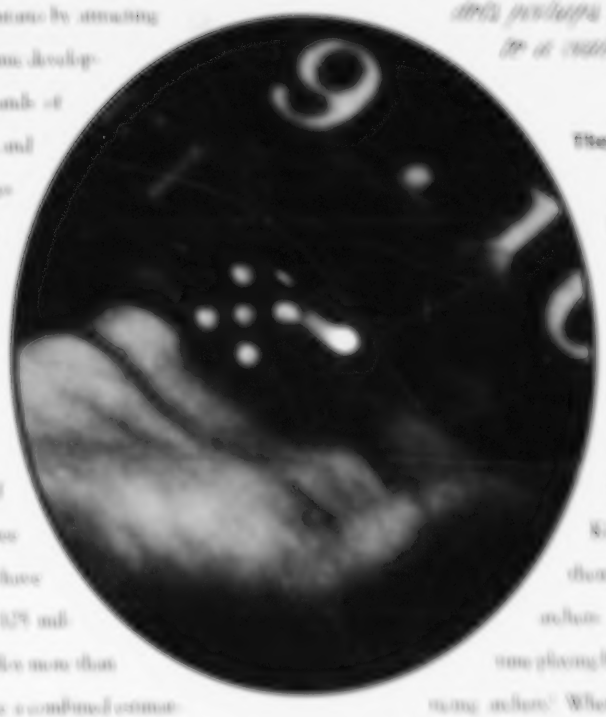
Engines for Economic Growth

OLG oversees and maintains authority over three commercial casinos in Ontario – Casino Windsor, Casino Niagara and Casino Rama. The private sector manages the day-to-day operations. All three commercial casinos help drive the economies of the local host communities and the province of Ontario by attracting tourists, creating economic development, including thousands of direct and indirect jobs, and supporting local charities and community initiatives.

Big Numbers, Big Hearts

Since the first commercial casino opened in 1996, Ontario's three commercial casinos have welcomed more than 329 million visitors. They employ more than 11,832 people and have a combined estimated annual payroll of more than $467 million, which infuses local economies. All commercial casino profits (with the exception of Casino Rama) and 22 per cent of gross gaming revenue go to support provincial programs such as health and education. Net revenue from Casino Rama is shared among Ontario's 134 First Nations to assist with community and economic development.

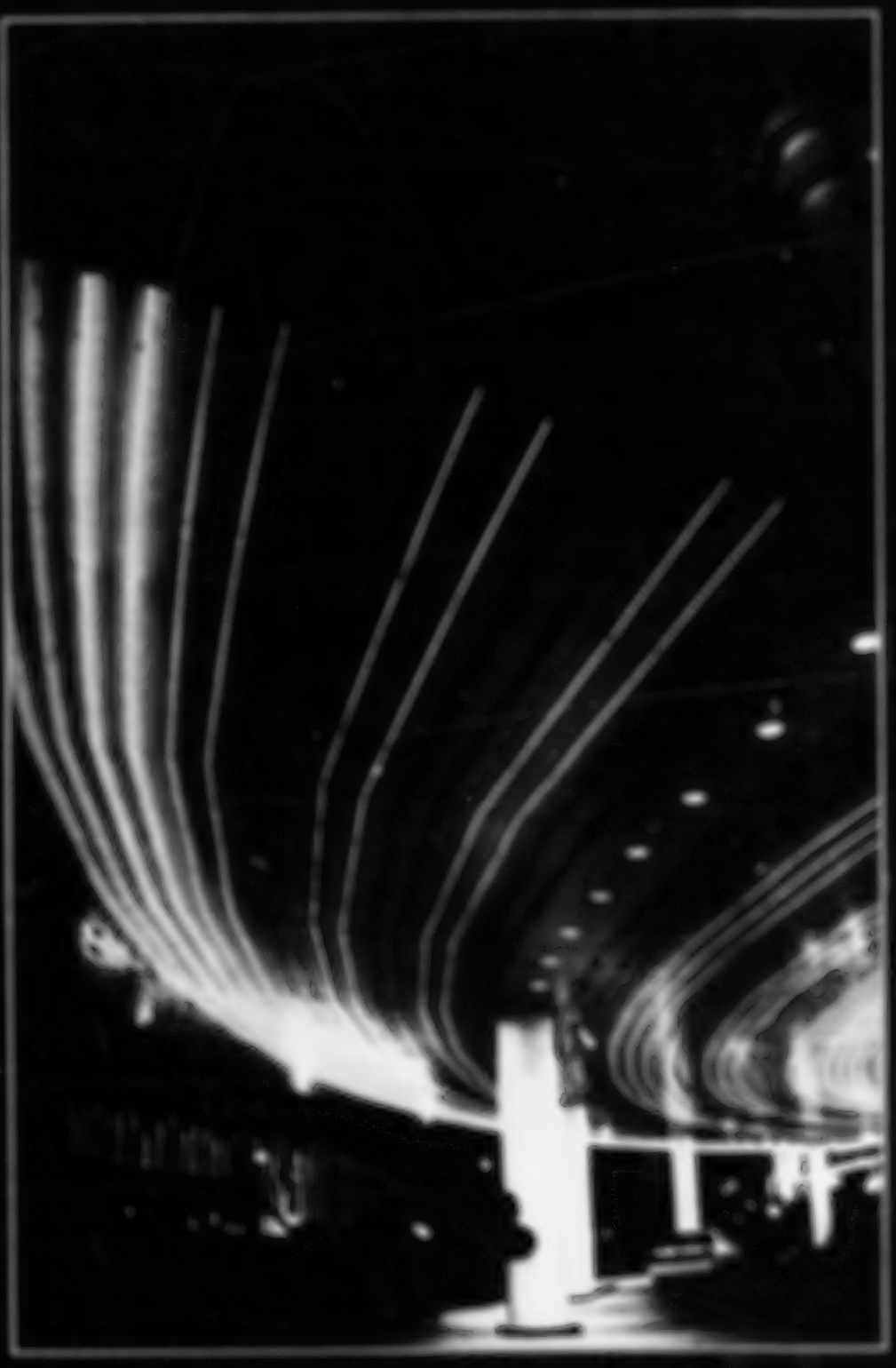
Early 13th century. Origin uncertain: probably from French, variant of cubic "cube of bone used as dice," from Latin, related of cubit, the block and, perhaps, being likened to a cube's cyst.



The Roll of the Dice

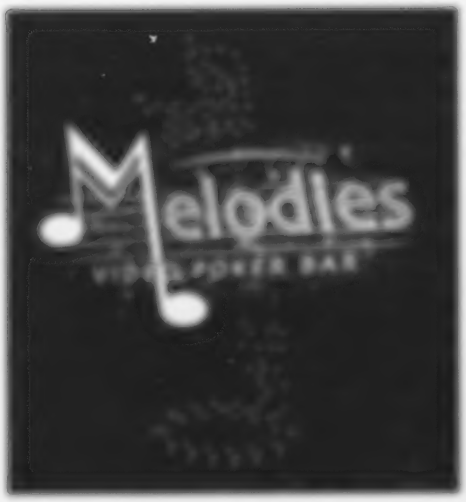
Until two years ago, Canadian law prohibited dice games – an inheritance of English criminal law that dated back to the 1565, when England's King Richard III outlawed them, fearing his poorer subjects were spending more time playing backgammon than practicing archery! When, in April 1999, the Canadian Government removed this prohibition, it had a dramatic and timely impact on the Ontario gaming industry by allowing it, for the first time, to introduce craps and so to compete on a level playing field with our American counterparts. Casino Windsor, with its high proportion of American clients and highly competitive market, was particularly motivated to take advantage of the legalization of dice.

We're in high gear and we want to keep that momentum going.



One of the Most Profitable Casinos in North America

CASINO



It's Showtime!

Catalyst for a Billion-Dollar Decade

The Biggest Heart

If it weren't for Casino Windsor's corporate giving, we would not have survived the last decade.

Lynda Sankukima, Executive Director, Windsor Hospice

Above: Historic view of the Nickel Mountain approximately 2 miles from Sudbury

Left: The Nickel Mountain gateway to the city's north remains the area of abandoned mine and waste rock left over from the mining era. Today, a scenic lookout is located at the summit of the mountain.

generous corporate sponsor. Casino Windsor currently contributes to more than 402 charities through its Casino Windsor Cares program.

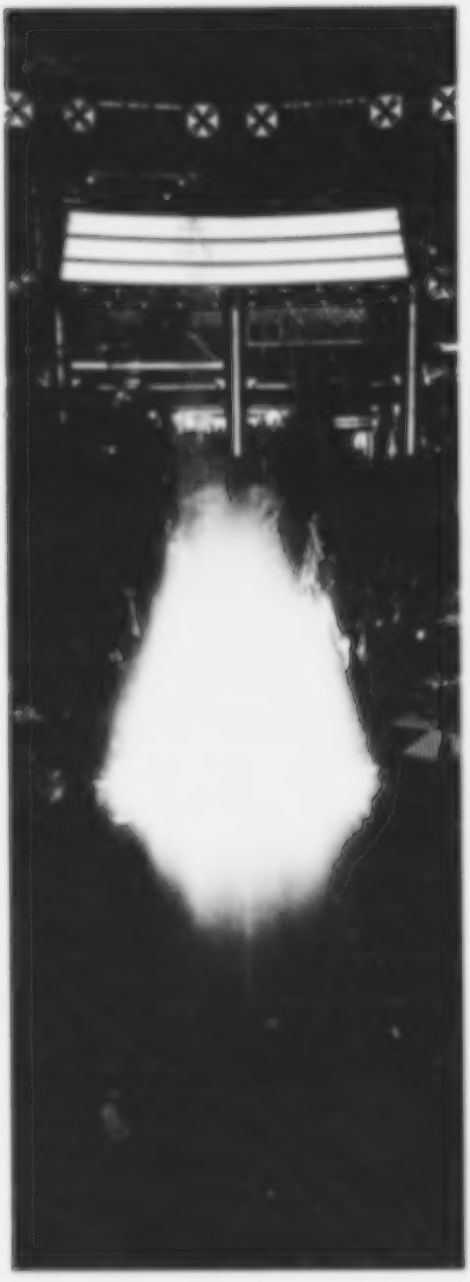
In a joint effort to help our community hunger, Casino Windsor joined forces with the Windsor and Essex County Food Bank Association, contributing $66,222 to CheckFreeDeals. In addition to donations, Casino Windsor helped increase public awareness of hunger through a media campaign.

With Casino Windsor's support, the Windsor Hospice has survived, grown and developed into the largest hospice in Canada. This important facility supports, educates and empowers people with life-threatening illnesses and those who care for them. The hospice embarked this year on its largest campaign drive ever with a goal of $2,750,000 to build a new facility on the current site. As of October 31, 2007 – prior to its public campaign – $1.1 million had been raised. In a spirit of compassion and generosity, Casino Windsor is proud to have set the pace for corporate donations in Essex County with its donation of half a million dollars.

Casino Windsor is committed to making a difference. Casino Windsor Cares sponsored the 16th annual Cancer Centre Foundation Bowl-A-Thon, raising a total of $195,000. Volunteers from Casino Windsor staff participated in several community fundraisers such as the Spring Sprint for Research, Habitat for Humanity, the Aids Walk and the Terry Fox Run. And this year's United Way campaign received $240,132 as a result of the combined donations of Casino Windsor and its generous staff.

Left: A quiet corner in the Canadian Coal Salon

Right: A spectacular waterfall plunges 40 feet into a shimmering pool, flanked by rocks, tropical flowers and trees in the Canada Jungle



Preserving History

A man sets out on foot from Missouri to Detroit, hoping he will be able to earn enough money selling fish to buy the freedom of his wife and four oldest children, who were still held in slavery. Four years later, he completes his trek to freedom and reunion. It sounds like folklore, but this was the real-life story of Elise Harding Davis's great-grandfather – told by her to a spellbound audience in the Casino Windsor ballroom.

In February 2021, Casino Windsor announced a donation of US$202,202 to erect a bronze monument to the Underground Railroad in Windsor's Civic Green. The life-size bronze is to depict three adults and one child celebrating their first taste of freedom as one gazes back across the river at the life of tyranny left behind. A second monument on the Detroit side will depict several people pointing across the river towards freedom.

Left: The glamour of the Roaring 20s greets patrons as they enter Canadian Club Slots.

Right: Patrons enjoy the excitement of the spinning wheel at Windsor's Roulette tables.

The Underground Railroad was an international network of people who provided refuge and transportation to slaves trying to escape from the south through the northern states to Canada. One of its largest and most successful terminals was Midnight – the code-name for the Detroit-Windsor crossing.

Left: Model for the bronze monument to the Underground Railroad, to be erected in Windsor's Civic Green in the Fall of 2001.

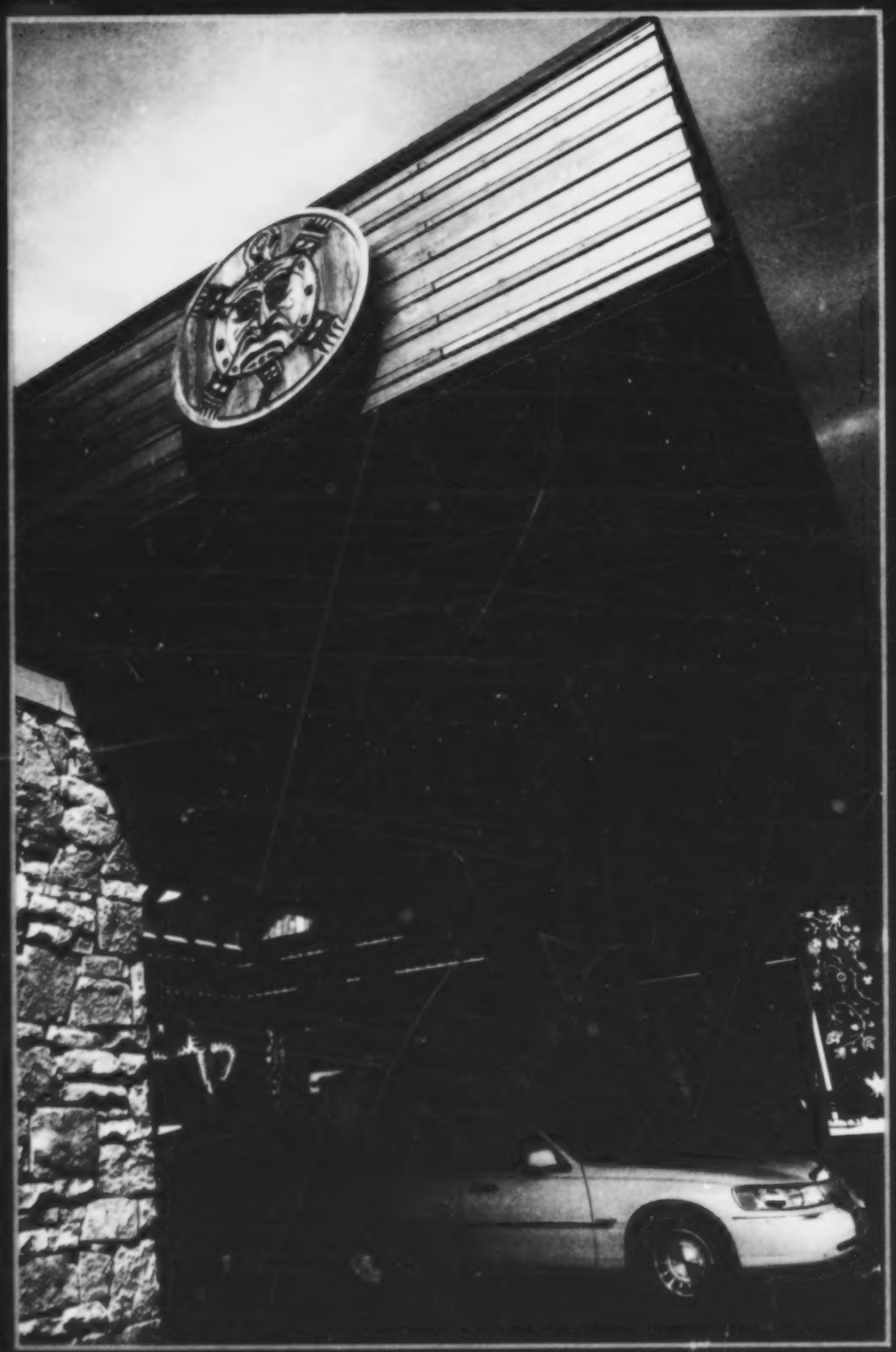
Since 1994, Casino Windsor Cares has supported Amherstburg, Ontario's North American Black Historical Museum, which preserves the Black heritage of the region. This fiscal year, Casino Windsor's $25,000 donation helped to restore the Museum's adjoining Nazery A.M.E. Church.

History is a clock that people use to tell their political and cultural time of day. It is also a compass that people use to find themselves on the map of human geography.

John Henrik Clarke (1915-1998), US historian and educator, *African People in World History* (1993)

This exciting hotel and entertainment centre development represents Casino Rama's dramatic transformation into a full-service casino resort and is a direct response to patron demand.

Ron D. Barbaro,
Chair and CEO, OLGC



A Dramatic Transformation

The Mnjikaning First Nation, in partnership with Carnival Resorts and Casinos (CRC) and OLGC, have proudly entered a dramatic new era in the development of Casino Rama as a year-round casino resort.

The construction of the Casino Rama Resort Hotel and Entertainment Centre was officially launched on June 23, 2000 with a ceremonial tree-planting and prayer honouring this new initiative of the Mnjikaning community. The $265-million project features a 300-room, all-suites, four-star, nine-storey hotel and offers two restaurants, a coffee shop, lounge, recreation centre and health club, as well as 7,500 square feet of meeting space. A multipurpose entertainment facility that holds up to 5,000 people will create additional economic spin-offs to the community as it offers a venue for live entertainment and sports events as well as trade and consumer shows. Construction, funded from casino net revenue, is scheduled for completion by Summer 2002.

The mega-resort project, which is expected to create 350 full- and part-time jobs, will also create approximately 1,700 construction jobs over 2.5 years.

The design of the resort celebrates the Mnjikaning people, their culture and traditions, as well as incorporating a Lake Country theme that reflects the unique geographic character of the region. The lead architects, Webb Zerafa Menkes Housden Partnership will extend the signature design elements throughout Casino Rama, providing a unified theme.

As part of its on-going commitment to growth and in response to patron requests, the casino recently completed work on a new Sports Lounge and added more gaming space, a new food court, an Italian Fine Dining Restaurant and a poker room. The interiors provide a vivid backdrop of imagery, artwork and natural materials indigenous to the surrounding lake-country landscape and culture.

The exterior of the casino complex near the eastern shore of Lake Couchiching makes a bold statement about pride in culture for the host Mnjikaning First Nation. Giant murals depict Chippewa legends, stories and personalities. The 4.5 million visitors who come here annually enjoy 24-hour-a-day play on the 90,000 square foot gaming floor which houses more than 2,000 slot machines and 122 gaming tables.

The gaming assets of CRC Holdings Inc., including the contract to operate Casino Rama, were acquired by Penn National Gaming, Inc. in April 2001.

Centre. First Nations art adorns Casino Rama's walls, floors and ceilings – including this representation of a fish weir, located near the entrance to the new entertainment centre.

Images of bears - representing one of seven clans of the Chippewa - are among the First Nations art works found on both the interior and exterior of Casino Rama.

Economic Development for All First Nations

The Casino Rama Revenue Agreement, which came into effect on June 9, 2000, has transferred almost $500 million in net revenues from the casino to promote economic development and self-sufficiency in Ontario's 134 First Nations communities. Funds must be used in projects that support economic development, health, education, culture or community development. Casino Rama will benefit all First Nations by creating jobs and increasing economic activity and self-reliance. The agreement also provides for the distribution of the on-going net revenues of Casino Rama to First Nations communities.

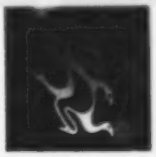
Casino Rama continues to be the largest single-site employer of First Nations people in Canada and the largest employer in central Ontario. Casino Rama employs more than 3,000 people, for a total of 6,000 direct and indirect jobs in the province.

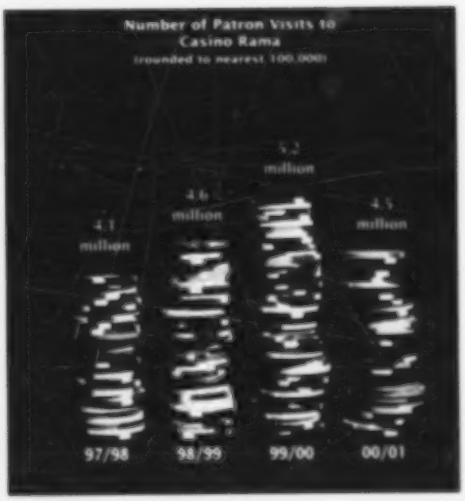
The casino is credited as one factor in the on-going surge in new construction in the Orillia area. In 2000, the value of construction increased 21 per cent compared to the previous year, while the construction of dwelling units increased 26 per cent.

pok·er [poker] noun : a card game in which players attempt to acquire a winning combination of cards that involves betting at every deal. Mid-19th century.
Origin uncertain : possibly from German Pochspiel, literally "bragging game," from pochen "to brag."

We've had calls about poker from the USA. People clearly want the game.

Chris Harry, Manager of Table Games, Casino Rama





Left: Interior view of the popular 5,200 square foot Dream Catcher Sports Lounge

Upping the Ante

In response to demand from patrons, Casino Rama has opened Ontario's first casino poker room, which offers players ten tables. It is another step towards providing a full range of services and entertainment to the 4.5 million patrons who visited the casino this year. Texas Hold-em is played with a house dealer and up to 11 players at each table. Players play each other, instead of the casino.

Casino Rama identified a huge appetite for poker in the Toronto area after the game was legalized in the mid-1990s as part of the former three-day roving Monte Carlo events. Poker offers better odds than traditional house games such as blackjack, roulette and slot machines and stakes tend to increase with the skill level of players. Stakes will be set by player demand.

On Track to Win

On December 1, 2000, Casino Rama, in partnership with Barrie Raceway, became the first of our commercial casinos to introduce off-track betting. In the Sports Lounge, visitors can view and place bets on up to 12 live races from Canada and the US.

It's Swing Time!

Cashing in on a newly revitalized fascination with the swing-era, Casino Rama has installed an entire bank of Swing Time slots featuring eye-catching neon-effect glass and 40s-style patterns. The nostalgic theme incorporates entertaining swing-style music, which accompanies spinning reels and payouts.

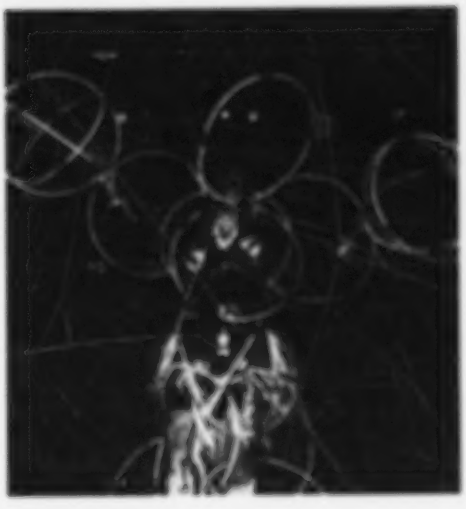
A bad neighbour is as great a misfortune as a good one is a great blessing.

Seneca Ghost Bib century BC), Greek poet

Traditional dancers perform at First Nations Day celebrations hosted by the casino

Corporate Citizens, Corporate Neighbours

Before printed history, the Original People had a responsibility and duty as keepers of the land. The Chippewa were a water-based people, harvesting what the Creator provided, honouring Mother Earth. The ancient teachings say to consider the impact of every decision on the seven generations that follow. Casino Rama considers its responsibilities as a corporate citizen and neighbour of the communities of Simcoe County, a priority. The Casino Rama Community Wellness Program was created with this in mind.



A Wellness Tradition

The legend says that to the north on the medicine wheel is found wisdom. The south is a place for innocence, trust and for perceiving closely things of nature and of the heart; the west, a point for the introspective nature of mankind. The east represents illumination, where all things are seen far and wide. At birth, we are each given a particular point on the great wheel, which guides our life. But we must strive to gain knowledge and wisdom from all points to become a whole person.

In First Nations' culture, the traditional medicine wheel seeks to balance the mental, physical, spiritual and emotional health of its communities. As Ontario's only commercial First Nations gaming facility, Casino Rama recognizes its special responsibility to aboriginal

wellness initiatives. Since its 1998 opening, Casino Rama has sponsored hundreds of local events, including powwows and wellness conferences. The Casino Rama Community Wellness program supports more than 150 local community groups, including the new Awards for Excellence for Aboriginal Students.

Choosing from 137 applicants, an independent education committee selected twelve students to receive $1,500 each, based on academic achievement and community involvement. These are the "future leaders in our midst" as described by Ted Williams, VP Human Resources and Corporate Affairs and member of the Mnjikaning community.

Vivian Aitchiseemo Roy,
Rama Mnjikaning Unceded Indian Reserve
Diane Bannon, *Fort William First Nation*
Danny Burden, *Nipissing First Nation*
Celine Cada, *Shesheguaning First Nation*
Barbara Day Bergman, *Batchewana First Nation*
Taryn George, *Alderville First Nation*
Vicky Hutchison, *Moose Cree First Nation*
Elisa Levi, *Chippewas of Nawash*
Bonnie Jane Maracle, *Mohawks of the Bay of Quinte*
Sherry Martin, *Lower Mohawk Reserve #60 Six Nations*
Cory Paulin, *M'Chigeeng First Nation (West Bay)*
Marlon Tetzlaff, *Kanata (previously Fort Alexander)*

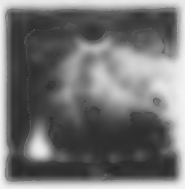
Casino Rama also contributed $25,000 to Orillia's Trails to Life millennium project to help it reach its $925,000 fundraising target. The completed paved trail will stretch 9.5 kilometres from Wilson's Point Road to the Atherley Narrows.

For the third straight season, the Casino Rama World Series of Football attracted the top teams in North America, all battling for $15,000 in prize money. Casino Rama also led the way in donating funding for the Orillia Winter Carnival this year.

Cause Niagara got a 2.2 million reasons why it's good to have a sewer in the community

Niagara Falls Review, May 5, 1969

The Niagara Falls Casino Gateway Project



Niagara generates revenues of $1.3 billion in economic activity annually for the province of Ontario.

New Crown to City of Niagara Falls for $216,000,67

Under agreements signed by the Province and the City, Niagara Falls will receive $24 million annually for the first ten years of this unique private- and public-sector partnership. These payments increase to $3 million a year by the second decade of the agreement. Under the agreements, the City of Niagara Falls will also receive funds for off-site infrastructure development. Combined with taxes, the monthly payments from the permanent casino will bring up to $7 million in annual revenue to the City.

Casino Niagara Cares

Casino Niagara launched a major new initiative in community and corporate leadership with the founding of its new corporate giving program: Casino Niagara Cares. The first major donation of $1.2 million went to the Niagara Health System, responsible for eight local hospitals. It will be used to buy new emergency room equipment for Niagara's three biggest hospitals.

CASINO • NIAGARA
Cares

- Greater Niagara General Hospital $625,000
- Welland General Hospital $400,000
- St. Catharines General Hospital $225,000

Since it opened in 1996, Casino Niagara has made several large donations including $500,000 to the Breakthrough Healthcare Campaign to help buy a magnetic resonance image scanner. This year, Casino Niagara gave the local Canadian Cancer Society a cheque for $525,000 – the largest donation ever received by the local unit. Almost half the donation is earmarked for cancer research, while the remainder will be distributed among community, transportation and support programs. Other donations include:

- $50,000 to the Alzheimer's Society of Niagara Region capital campaign to raise funds for the first-of-its-kind resource centre. The Forget Me Not Campaign has set a goal of $1.6 million to create a family-like setting for those struggling with the disease.
- $50,000 to the Niagara Falls Public Library to create the new Casino Niagara Cares Regional Heritage Collection and to purchase unique literature and art depicting the region's history.

In addition, Casino Niagara employees comprise the largest single donor group for the local United Way, raising $525,000 in 1999/2000 and $576,000 this year. This makes a total combined contribution of $600,000 from Casino Niagara and its associates to the United Way of the Niagara Region since the centre's opening.

Milestones

- December 9, 1996 – Casino Niagara opens with more than 50,000 visitors in the first 24 hours.
- March 1999 – Gross gaming revenues in the first full fiscal year of operation reach $540 million.
- February 8, 1999 – Lady Luck smiles down on a Richmond Hill man who was playing for two minutes when his lottery won $111,321 resulting in Casino Niagara's largest progressive slot jackpot to date.
- May 1999 – Training is complete for two hearing-impaired Casino Niagara associates to work as dealers, the first two hearing-impaired dealers in the country.
- August 1999 – Casino Niagara breaks new records with gross gaming revenue topping $62.4 million for the month.
- August 12, 2000 – Casino Niagara achieves highest single-day attendance, attracting 49,121 patrons.

A view of statue above the entrance to the second floor rotunda

All our doings without charity are nothing worth.

Book of Common Prayer, 1662

A History of Community Support

To be eligible to host a charity casino, interested communities were required to hold a municipal referendum, obtain a vote of approval from city council and provide a supporting business case. Ontario was the first jurisdiction in Canada to implement referendum legislation, which recognizes the need for community support. Since the Ontario Government launched its charity casino initiative in June 1998, five communities have been selected and 2,600 new permanent jobs have been created in Ontario.

The charity casino initiative, with support from slots-at-racetracks, provides a stable level of funding to Ontario charities with $600 million dollars annually. Charities apply to the Ontario Trillium Foundation for a share of the money. The Foundation has developed a distribution framework of 16 regional grant review teams that allocate funds.

In addition to promoting tourism, each site creates capital investment and employment, during construction and operation, and increases the municipal tax assessment base as well as local sales of goods and services. Job fairs have been held in each host municipality to recruit staff, including table dealers, hospitality and security personnel. Most employees live in the host community.

The OLGC owns and operates all charity casinos, which are regulated by the Alcohol and Gaming Commission of Ontario. Ontario's Illegal Gaming Enforcement Unit investigates gaming-related offenses. Strict regulations have been put in place to ensure that minors will not have access to these facilities.

Consolidation and Reflection

All casinos generate revenue for the province and significant economic spin-offs for their host communities, but there are some basic differences between commercial and charity casinos. Premium players at commercial casinos bet up to $10,000 on table games and up to $100 on slot machines. Charity casinos limit bets to $100 for table games and $5 for slot machines. Craps are not offered at charity casinos, and gaming is restricted to a maximum of 870 gaming positions. Charity casinos have already exceeded expectations, with 5.3 million people placing their bets.

The OLGC is proceeding with plans for an earlier approved charity casino in Eastern Ontario following

the positive referendum from host communities, but further expansion is currently on hold. In June 2000, the Ontario government announced a three-year pause in the expansion of new commercial and charity casinos in Ontario, and a two-year pause regarding slots-at-racetrack facilities.

Into the Wild –
Casino Sault Ste. Marie

Spinning roulette wheels and the rhythmic pulling of slot handles signal a robust business during the first full year of operation of Casino Sault Ste. Marie. An average of 2,200 patrons a day have been taking their chances on 450 slot machines and 21 gaming tables at the province's only charity casino boasting a Northern Wilderness theme. Visitors to Casino Sault Ste. Marie have also enjoyed the addition of poker to the repertoire of table games this year.

The casino has created 425 direct jobs and another 1,000 indirect jobs. More than 90 per cent of the employees live in the Sault Ste. Marie area, adding an annual payroll of $15.7 million to the local economy.

Sault Ste. Marie charities that have benefited from revenues available as a result of the charity casino program include:

- Big Brothers Association of Sault Ste. Marie
- Big Sisters Association of Sault Ste. Marie
- Canadian Bushplane Heritage Centre
- Centre Francophone de Sault Ste. Marie
- Clean North, The Sault and District Recycling Association
- Community Living Algoma
- Kiwanis Music Festival of Sault Ste. Marie
- The Sault Ste. Marie Community Theatre Centre
- Soo Finnish Nordic Ski Club
- United Way of Sault Ste. Marie

Out of This World –
Brantford Charity Casino

The Brantford Charity Casino celebrated its first year of operation with a constant stream of visitors, day and night. About 4,800 people a day have tested the odds at 50 gaming tables and 452 slot machines under a sea of tiny lights symbolizing the Milky Way.

The $66-million transformation of a vacant building into a charity casino has triggered economic spin-offs for the community. The city's coordinator of tourism and

This marks a change in the spirit and the growth of the village.

Barbara Horner, Mayor, Village of Point Edward, 2000

BRANTFORD CHARITY CASINO

special events reports that the casino has helped attract more conferences to the city of Brantford. The direct economic impact of 965 delegates attending ten conventions has been estimated at more than $1.6 million. Hundreds of indirect jobs and spin-off opportunities for suppliers and local businesses have also been created in the area as a result of casino operations. More than 1,000 people work at the Brantford Charity Casino, accounting for an annual payroll of more than $29 million.

Under Ontario's charity casino initiative the Ontario Trillium Foundation has provided funding for the following Brantford-area charities:

- Big Brothers of Brantford and District
- Boys' and Girls' Club of Brantford
- Brant United Way
- Brant Waterways Foundation
- Brantford Aquatic Club
- Brantwood Residential Development Centre
- Canadian Red Cross Society, Brantford Branch
- The Lower Grand River Land Trust Foundation, Inc.
- St. Leonard's Society of Brant
- Woodland Cultural Centre

Water & Glass –
Point Edward Charity Casino

A 100-foot glass beacon, cascading waterfalls, glass bridges and aquariums set the aquatic theme for the

POINT EDWARD CASINO

casino in the Village of Point Edward on the St. Clair River, near Sarnia. The OLGC invested approximately $74 million to purchase, renovate and furnish a former CN freight building and terminal where ships had docked in the 1940s. The casino has drawn on its nautical history for its decor. During the evening of the opening spring gala, 1,500 people arrived in the lobby where servers dressed as sea captains offered complimentary hors d'oeuvres.

Point Edward's gaming room features 452 slot machines, including the popular Big Bang Piggy Bank Progressive Slots, Double Diamonds, Blazing Sevens and Big Bertha. The charity casino also features 36 gaming tables, including Blackjack tables, Poker games, Roulette, Sic Bo, Mini-Baccarat and Big Six Wheel. Since opening, an average of 3,300 patrons a day have tried their luck at the slots and gaming tables. The casino is open 24 hours a day on weekends and from 11 am to 4 am on weekdays.

The Great Blue Heron Charity Casino will bring self-sufficiency to our aboriginal community and create a positive outlook for future generations.

Chief Ronnie Goose, Mississaugas of Scugog Island First Nation

The construction phase at Point Edward created hundreds of temporary jobs in the area and the facility now employs 735 people – 70 per cent of whom live within a 40-kilometre radius of Point Edward. Forty former residents have returned to the area to work at the charity casino. The annual payroll of $21.7 million as well as hundreds of indirect jobs and spin-off opportunities for suppliers provide a significant economic boost to the village and surrounding area.

Through the Ontario Trillium Foundation, the following local charity groups received funds generated, in part, by the Point Edward Charity Casino:

- Bluewater Gymnastics Club Sarnia Inc.
- The Canadian Hearing Society Sarnia-Lambton
- Le Club Joliet, Sarnia
- Lambton Drug Awareness Action Committee
- Lambton Elderly Outreach
- The Sarnia Drama League
- Sarnia/Lambton Arts Council
- Sarnia-Lambton Rebound – A Program for Youth Inc.
- The Women's Interval Home of Sarnia and Lambton Inc.

The Point Edward Charity Casino and the slot facility at Hiawatha Horse Park have dramatically increased border traffic between Point Edward and Port Huron. As a result, the duty-free shop at the international Bluewater Bridge, which is used primarily by Americans, is slated to more than double its floor space in order to capitalize on increased business opportunities. The overall impact of the casino was noted in the local media when *Sarnia This Week* named Point Edward Charity Casino "Newsmaker of the Year."

Fire & Water –
Great Blue Heron Charity Casino

The Great Blue Heron Charity Casino is an aboriginal casino and a major First Nations initiative. The Great Blue Heron Charity Casino is owned by the Mississaugas of Scugog Island First Nation and operated by the Great Blue Heron Gaming Company (wholly owned by Casinos Austria, Fantasy Gaming and Sonco Gaming). The Mississaugas of Scugog Island First Nation Indian Band (#34) formed the Baagwating Community Association, a non-profit charitable association, to conduct and manage the table game operations. OLGC is responsible for the management of the slot facility.

A strong new interior design has been introduced to the delight of the average 3,000 people who attend the casino daily. The 450-slot facility now includes design elements that evoke the Scugog culture and natural environment. The renovation and outfitting of the former bingo hall area required an investment from the OLGC of $33 million. Highlights include a waterfall and a symbolic fire pit. Near the entrance, sculptures create the illusion that great blue herons fly above us, along the actual flight path of these local birds. Another sculpture (fire teepee) uses special lighting effects to imitate rising flames. The Alderville First Nation created a canopy of canoe paddles suspended from the ceiling near the information desk at the Player's Club entrance.

An annual payroll of about $8 million dollars infuses the local economy. And, as host community, the Mississaugas receive five per cent of revenues from the slot machines. The Mississaugas, in turn, share 30 per cent of this revenue with Scugog Township and contribute ten per cent to Durham Region.

Welcome Aboard –
Thunder Bay Charity Casino

The "Frozen Glass Waterfall," three tons of etched and tooled glass shards suspended on a steel frame, make a dramatic statement about the natural setting of the new Thunder Bay Charity Casino. The design and theme reflect the area's rich shipping history and natural wonders. One of two 16-by-25-foot murals depicts figures in a canoe facing an outline of Thunder Bay's Sleeping Giant land form; the other features images of the indigenous animals, blue sky and waters of Thunder Bay.

The grand entrance lobby of the Thunder Bay Charity Casino.

Since the August 28th gala opening, almost 3,000 people a day have visited the casino. Players can bet anywhere from a nickel, at one of the 452 slot machines, to $100, at one of the 14 gaming tables.

The economic impact of the charity casino has been significant. OLGC purchased the land, then designed, constructed and furnished the original one-story building at a cost of $34 million. Forty local contractors, 220 local trades people (more than 80 per cent of the total) and 50 Thunder Bay firms were involved in the construction phase, providing temporary construction jobs equaling 270 person-years of employment and $16 million in consulting and construction services. Currently, more than 100 local suppliers are registered to do business with the Thunder Bay Charity Casino. The payroll

Patrons at one of the 32 gaming tables inside the Brantford Charity Casino

of the 430-person staff exceeds $13 million a year – with 89 per cent of those hired living within a 40 kilometre radius of Thunder Bay.

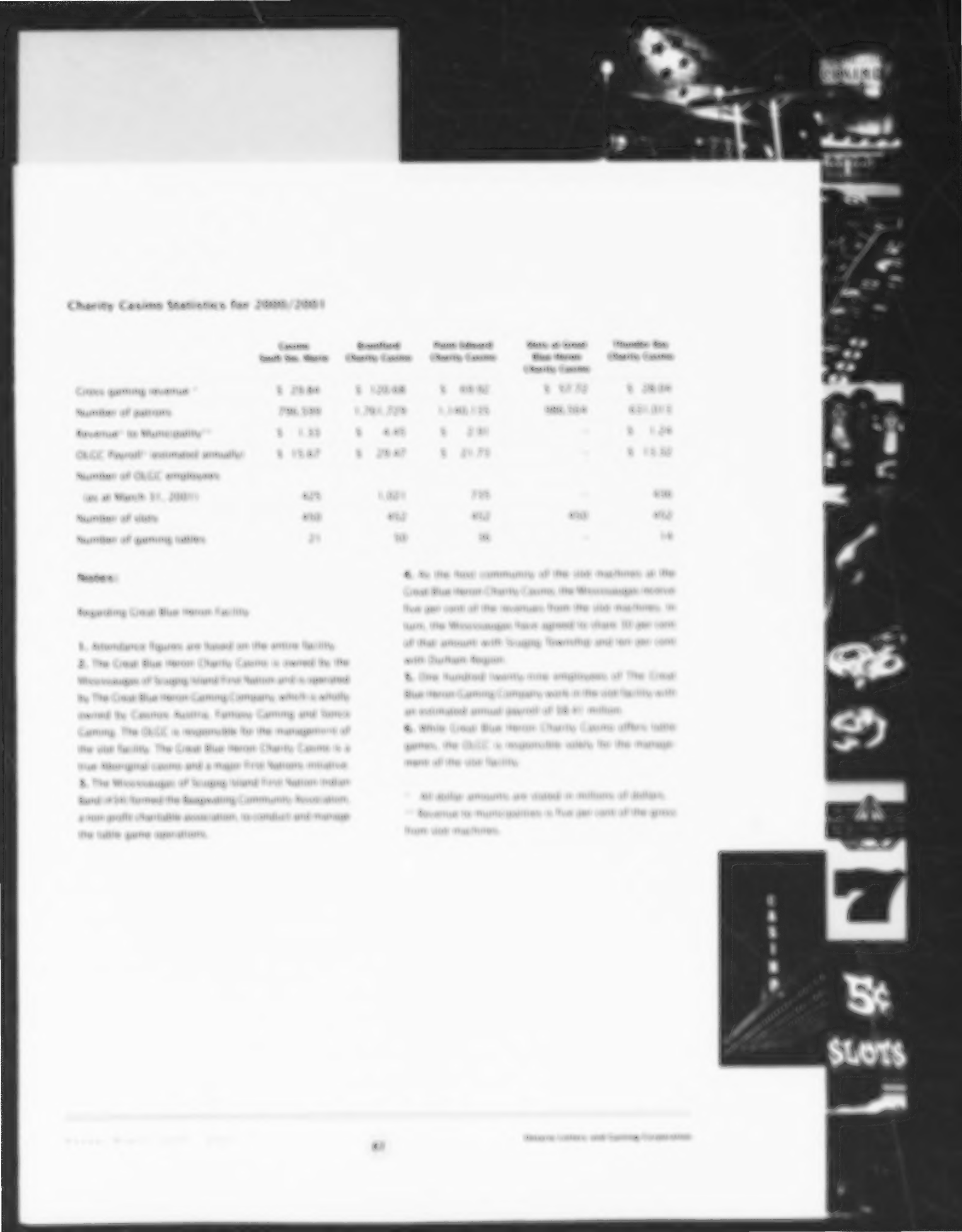
Among the Thunder Bay district charities receiving funds distributed by the Ontario Trillium Foundation are:

- Canadian Red Cross Society, Thunder Bay and District Region
- Ontario March of Dimes – Thunder Bay
- Thunder Bay Boys' and Girls' Club
- Thunder Bay Children's Festival
- Thunder Bay Council on Positive Aging
- Thunder Bay Indian Friendship Centre
- Thunder Bay Multicultural Association
- Thunder Bay Thunderbolts Swim Club
- Thunder Bay Youth Employment Services

Looking Forward –

A New Thousand Islands Charity Casino

On March 30, 2001, OLGC announced that the charity casino under development in Eastern Ontario will be located on a parcel of land that straddles the township of Leeds and Thousand Islands and the town of Gananoque. Expected to open in Summer 2002, the $34 million project will create 400 direct jobs for the Thousand Islands region and 200 temporary construction jobs, stimulate economic development, provide new tax revenue to the host municipalities and generate revenue to support charities across the province. The host municipalities will share the five per cent gross slot revenue offered by the charity casino program.



Charity Casino Statistics for 2000/2001

	Casino South Bay Beach	Brantford Charity Casino	Point Edward Charity Casino	Slots at Great Blue Heron Charity Casino	Thunder Bay Charity Casino
Gross gaming revenue *	$ 29.84	$ 120.68	$ 68.92	$ 57.72	$ 28.04
Number of patrons	796,599	1,784,729	1,140,135	989,594	621,811
Revenue* to Municipality**	$ 1.33	$ 4.45	$ 2.91	–	$ 1.24
OLGC Payroll* estimated annually	$ 15.67	$ 29.67	$ 21.73	–	$ 13.32
Number of OLGC employees (as at March 31, 2001)	425	1,021	725	–	638
Number of slots	450	452	452	450	452
Number of gaming tables	21	30	30	–	14

Notes:

Regarding Great Blue Heron Facility

1. Attendance figures are based on the entire facility.
2. The Great Blue Heron Charity Casino is owned by the Mississaugas of Scugog Island First Nation and is operated by The Great Blue Heron Gaming Company, which is wholly owned by Casinos Austria, Fantasy Gaming and Sierra Gaming. The OLGC is responsible for the management of the slot facility. The Great Blue Heron Charity Casino is a true Aboriginal casino and a major First Nations initiative.
3. The Mississaugas of Scugog Island First Nation Indian Band of Ont formed the Baagwating Community Association, a non-profit charitable association, to conduct and manage the table game operations.
4. As the host community of the slot machines at the Great Blue Heron Charity Casino, the Mississaugas receive five per cent of the revenues from the slot machines. In turn, the Mississaugas have agreed to share 33 per cent of that amount with Scugog Township and ten per cent with Durham Region.
5. One hundred twenty-nine employees of The Great Blue Heron Gaming Company work in the slot facility with an estimated annual payroll of $8.41 million.
6. While Great Blue Heron Charity Casino offers table games, the OLGC is responsible solely for the management of the slot facility.

* All dollar amounts are stated in millions of dollars.
** Revenue to municipalities is five per cent of the gross from slot machines.

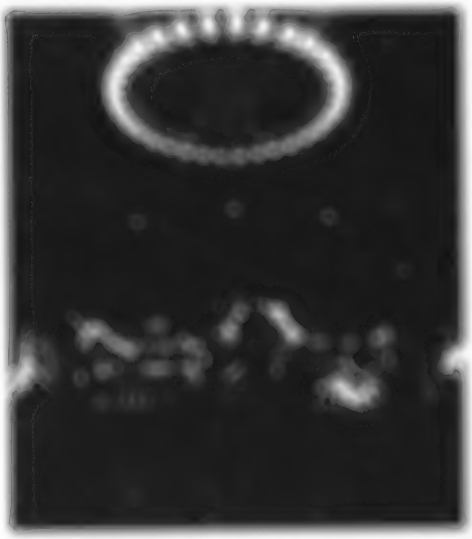
*Ne vendons
plus voyons
ont mis temps
le une vous
minutes le
comment qu'
ngle sur
vendeuse
Remplissez
vous Cliquez*

[illegible]

[illegible]

[illegible] The world-renowned Windsor Raceway [illegible] is now [illegible] home and an expanded gaming floor, including the addition of [illegible] machines. Opening day [illegible] [illegible] to [illegible]. The $42 million renovation was completed in January 2015.

Since the addition of [illegible] to Windsor [illegible] in December 1996, the City of Windsor has received more than $[illegible] million in host [illegible] revenues from [illegible] machines. The new [illegible] will [illegible] to add [illegible] to expand entertainment options and create [illegible] and [illegible].



SLOTS
SLOTS
SLOTS
SLOTS

50¢

25¢

Congratulations Paul Wicaris,

of Racetrack Development and Operations,

this year's recipient of the

Display of Excellence Award: Class 1

600 slots and more, which was presented

at the Canadian Gaming Summit

and Exhibition Awards

on March 21, 2001 in Toronto.

The Newcomers

There are 4 racetrack facilities spread over one

Clinton Slots

Clinton's ninth racetrack slot operation opened on

August 24, 2001 with a tropical island theme. Located

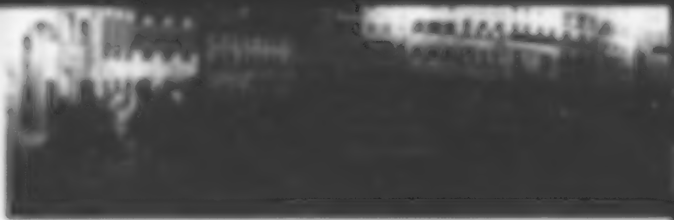
56 kilometres southwest of Montreal, the little town

hosts average more than 500 patrons who enjoy 525

slot machines in The Annexe. Clinton Slots

employs approximately 95 people.

Since Clinton Slots opened its doors in August,



The uniquely themed Woodbine Slots.

[illegible]

the municipality of Central Huron has received more than $250,000 as its share of gross slot-machine revenue. The track and horse people have each received $940,000.

Flamboro Slots

An Arabian theme, featuring an exotic carpet above the entrance and replicas of genie lamps, signal patrons that there's something magical at the Flamboro Downs racetrack slots. Since the doors were opened October 18, 2000 a daily average of 2,800 people have tried their luck on the 750 slot machines. The track and its horse people have received $5.3 million each as their share of gross slot-machine revenue, while the City of Hamilton, as the host community, has garnered $5.3 million. The slot facility has created 255 direct new jobs and 102 additional jobs at the racetrack.

Hanover Slots

This 100-slot-machine facility with a Hawaiian theme is located in the heart of Hanover, a rural community of 7,000, approximately two hours north of London and 40 minutes south of Owen Sound. Fifty-one people work at the Hanover Raceway slot facility.

On the Drawing Board

Dresden, Woodstock and beyond

One hundred-machine facilities, designed along tropical island themes, open at Dresden and Woodstock Raceways in April and June 2001 respectively. Each slot facility employs approximately 35 people.

A third slots-at-racetrack facility is under development at Georgian Downs Raceway in Innisfil, just south of Barrie.

Slots at Racetrack Statistics for 2000/2001

	Opening Date	Number of Slots	Gross Gaming Revenue	Number of Patrons	Revenue to Track	Revenue to Horse People	Revenue to Municipality	OLGC Payroll	Number of Employees
Windsor	Dec. 16/98	750	$ 57.8	946,188	$ 5.78	$ 5.78	$ 2.36	$ 10.22	287
Hiawatha	May 8/99	450	$ 44.7	674,493	$ 4.46	$ 4.46	$ 2.23	$ 0.91	175
Mohawk	Aug. 10/99	750	$ 148.8	1,384,844	$ 14.88	$ 14.88	$ 5.65	$ 10.46	270
Fort Erie	Sept. 9/99	1,200	$ 123.2	1,708,663	$ 12.32	$ 12.32	$ 3.85	$ 10.62	345
Western Fair	Sept. 28/99	300	$ 66.8	1,024,427	$ 6.68	$ 6.68	$ 3.34	$ 5.81	156
Kawartha	Nov. 22/99	376	$ 53.5	743,185	$ 5.35	$ 5.35	$ 2.67	$ 5.26	157
Sudbury	Nov. 26/99	325	$ 38.9	663,800	$ 3.89	$ 3.89	$ 1.94	$ 5.33	151
Rideau Carleton	Feb. 16/00	1,250	$ 82.8	1,377,256	$ 8.28	$ 8.28	$ 2.55	$ 10.85	323
Woodbine	Mar. 27/00	1,700	$ 378.2	4,302,762	$ 37.82	$ 37.82	$ 10.68	$ 18.02	582
Clinton	Aug. 24/00	100	$ 5.4	114,417	$ 0.54	$ 0.54	$ 0.27	$ 1.98	56
Flamboro	Oct. 11/00	752	$ 33.2	484,227	$ 3.32	$ 3.32	$ 1.26	$ 8.10	255
Hanover	Feb. 19/01	100	$ 1.3	37,901	$ 0.13	$ 0.13	-	$ 1.80	51
Total		**8,053**	**$1,034.6**	**15,462,163**	**$103.45**	**$103.45**	**$36.80**	**$ 95.36**	**2,808**

Notes:

1. All dollar amounts are stated in millions of dollars.
2. Revenue to tracks is ten per cent of gross slots revenue.
3. Revenue to horse people is ten per cent of gross slots revenue.
4. Revenue to municipalities is five per cent of gross slots revenue from the first 450 machines and two per cent of gross slots revenues from machines numbering over 450.
5. Payroll figures are estimated annual totals.

- First payment to Municipality occurs during next fiscal year (2001/2002).

Management's Responsibility for Annual Reporting

Management of the Corporation is responsible for the preparation of the consolidated financial statements and all other information included in this report. This responsibility includes the selection of appropriate accounting principles as well as making informed judgements and estimates in accordance with generally accepted accounting principles.

The Corporation maintains an appropriate system of internal control to provide reasonable assurance that relevant and reliable consolidated financial statements are produced and that the Corporation's assets are properly safeguarded. Grant Thornton LLP and KPMG LLP, the Corporation's independent auditors appointed by the Board of Directors, are responsible for auditing the consolidated financial statements. Their report outlines the scope of their examination and their opinion on the consolidated financial statements.

The consolidated financial statements have been reviewed and approved by the Board of Directors and its Audit and Risk Management Committee. This Committee meets from time to time with management and the auditors, who have direct access to the committee.

Ron D. Barbaro
Chair and Chief Executive Officer

Tom Dalton
Chief Financial Officer and
Senior Vice President,
Finance & Administration

Auditors' Report

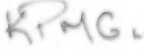
To the Board of Directors of Ontario Lottery and Gaming Corporation and to the Minister of Tourism, Culture and Recreation

We have audited the consolidated balance sheet of Ontario Lottery and Gaming Corporation as at March 31, 2001 and the consolidated statements of operations, net income to the Province of Ontario, cash flows, changes in Due to Province of Ontario and equity in capital assets for the year then ended. These consolidated financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures for March 31, 2000 comprise those of the Ontario Casino Corporation and the Ontario Lottery Corporation which were reported on by KPMG LLP and Grant Thornton LLP, respectively.



Chartered Accountants
Toronto, Canada
May 18, 2001

Chartered Accountants
Sault Ste. Marie, Canada
May 18, 2001

Consolidated Balance Sheet

As at March 31, 2001 (in thousands of dollars)

Commitments (Notes 4, 8 and 10)
Contingencies (Note 11)
See accompanying notes to consolidated financial statements

	2001	2000
Assets		
Current assets:		
Cash and cash equivalents (Note 2)	$ 463,325	$ 493,180
Accounts receivable	44,001	43,355
Prepaid expenses and other	34,842	39,318
	542,168	575,853
Pre-opening and deferred development expenditures (Note 3)	90,623	77,723
Loans receivable (Note 4)	57,307	62,447
Capital assets (Note 5)	1,216,460	1,117,285
Assets contributed to Chippewas of Mnjikaning and deferred charges (Note 6)	17,257	17,401
Cash and short-term investments held for First Nations (Note 7)	2,687	410,098
	$ 1,926,502	**$ 2,260,807**
Liabilities and Provincial Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 213,748	$ 223,291
Due to operators (Note 8)	57,460	43,600
Due to Chippewas of Mnjikaning (Note 8)	11,977	4,238
Due to Government of Canada	36,836	18,366
Deferred revenues	8,415	12,262
Current portion of long term debt (Note 9)	6,856	9,044
	335,292	310,801
Due to First Nations (Note 7)	–	410,098
Long term debt (Note 9)	43,656	6,331
Provincial equity:		
Due to Province of Ontario	266,247	341,585
Reserves (Note 2)	115,359	90,082
Equity in capital assets	1,165,948	1,101,910
	1,547,554	1,533,577
	$ 1,926,502	**$ 2,260,807**

On behalf of the Board,

Ron D. Barbaro, Chair

Joanne DeLaurentiis, Director

Consolidated Statement Of Operations

Year ended March 31, 2001 (in thousands of dollars)

	2001	2000
Revenues:		
Lotteries	$ 2,157,159	$ 2,201,413
Commercial casinos	1,832,797	2,073,353
Charity casinos	313,906	67,306
Racetrack slot operations	1,035,474	362,814
	5,339,336	4,704,886
Direct operating expenses:		
Lotteries	1,449,998	1,469,489
Commercial casinos	1,382,451	1,413,371
Charity casinos	188,748	45,235
Racetrack slot operations	509,845	182,697
	3,531,042	3,110,792
Income before the undernoted:	1,808,294	1,594,094
Interest and other income, net	84,487	69,930
Net income	$ 1,892,781	$ 1,664,024

See accompanying notes to consolidated financial statements

Consolidated Statement of Net Income To The Province of Ontario

Year ended March 31, 2001 (in thousands of dollars)

	2001	2000
Net income	$ 1,892,781	$ 1,664,024
Plus Win tax (Note 14)	366,558	403,346
Less Casino Rama net income	(105,576)	(179,892)
Net income to the Province of Ontario	$ 2,153,763	$ 1,887,478

See accompanying notes to consolidated financial statements

Consolidated Statement Of Cash Flows

Year ended March 31, 2001 (in thousands of dollars)

See accompanying notes to consolidated financial statements

	2001	2000
Cash derived from (applied to):		
Operations:		
Net income	$ 1,892,781	$ 1,664,024
Amortization	179,588	147,411
Loss on disposal of capital assets	2,470	1,157
Unrealized foreign exchange loss (gain)	815	(834)
Change in non-cash operating working capital	30,509	(19,561)
	2,106,163	1,792,197
Financing:		
Repayments to Windsor Casino Limited	–	(21,922)
Increase in long term debt	43,656	–
Repayments of long term debt	(9,334)	(9,247)
	34,322	(31,169)
Investing:		
Pre-opening and deferred development expenditures	(46,543)	(79,635)
Loans receivable	5,140	(63,684)
Capital expenditures, net	(249,144)	(435,343)
Proceeds on disposal of capital assets	3,626	313
Deferred charges	(1,928)	998
	(288,849)	(577,351)
Other:		
Payments to Province of Ontario	(1,799,815)	(938,771)
Retroactive change in revenue recognition method for INSTANT Games	–	(13,100)
Distributions to First Nations	(489,087)	(141,537)
Cash and short-term investments held for First Nations	407,411	–
	(1,881,491)	(1,093,408)
Increase (decrease) in cash and cash equivalents	(29,855)	90,269
Cash and cash equivalents, beginning of year	493,180	402,911
Cash and cash equivalents, end of year	**$ 463,325**	**$ 493,180**
Supplemental disclosure of cash flow information:		
Cash interest received	$ 28,063	$ 18,301
Cash paid for interest	2,892	1,948

Consolidated Statement Of Changes in Due To Province

	2001	2000
Net income	$ 1,892,781	$ 1,664,024
Add (deduct):		
Capital expenditures, net	(243,048)	(433,873)
Amortization of capital assets	143,873	123,644
Repayments of long term debt, net of unrealized foreign exchange loss (gain)	(8,519)	(10,081)
Increase in long term debt	43,656	
Distributions to First Nations	(78,989)	(141,537)
Transfers to reserves, net		
Capital renewals reserve	(9,797)	(6,012)
Operating reserve	(12,668)	(14,845)
Severance reserve	(2,812)	(2,564)
	(168,304)	(485,268)
Current year amount due	1,724,477	1,178,756
Payments to Province of Ontario	(1,799,815)	(938,772)
Amount due less payments	(75,338)	239,984
Due to Province of Ontario, beginning of year	341,585	101,601
Due to Province of Ontario, end of year	**$ 266,247**	**$ 341,585**

Consolidated Statement of Equity in Capital Assets

Year ended March 31, 2001 (in thousands of dollars)

	2001	2000
Balance, beginning of year	**$ 1,101,910**	**$ 781,600**
Capital expenditures, net	243,048	433,873
Amortization of capital assets	(143,873)	(123,644)
Repayments of long term debt, net of unrealized foreign exchange loss (gain)	8,519	10,081
Increase in long term debt	(43,656)	
Balance, end of year	**$ 1,165,948**	**$ 1,101,910**

Effective April 1, 2000 the *Ontario Lottery and Gaming Corporation Act, 1999*, came into force. That Act provided that, on April 1, 2000, all rights, property and assets of the Ontario Lottery Corporation (OLC) and the Ontario Casino Corporation (OCC) became the rights, property and assets of the Ontario Lottery and Gaming Corporation (the Corporation), and that the Corporation became liable to pay and discharge all the debts, liabilities and obligations of OLC and OCC. The Corporation is a Crown agency of the Ontario government and is responsible for conducting and managing lottery games, commercial and charity casinos and racetrack slot operations in the Province of Ontario.

The comparative amounts in these consolidated financial statements consist of the combined financial position and results of operations of the OLC and OCC as at and for the year ended March 31, 2000, based on the pooling of interests method, and have been reclassified to conform with the presentation adopted in the current year. As at March 31, 2000 the total assets of OCC and OLC were $1,539,293,000 and $731,404,000, respectively and total liabilities were $569,061,000 and $168,059,000 respectively. For the year ended March 31, 2000 revenues were $2,140,114,000 and $2,634,209,000 respectively and net income was $716,557,000 and $947,467,000 respectively.

As part of its mandate the Corporation manages the net assets of Casino Rama for the benefit of the First Nations of Ontario. The excess cash flow derived from this commercial casino is distributed to a First Nations Fund. In addition, the financial results of the charity casinos include the operations of the slot machine facilities at The Great Blue Heron Charity Casino. These financial statements do not include other operations carried out at that charity casino.

1. Significant accounting policies:

(a) Basis of consolidation:

The consolidated financial statements include the accounts of the Corporation, and its 100% owned subsidiaries, Ontario Gaming Assets Corporation and OLC Services Limited. These subsidiaries were established to purchase capital assets which are leased to the parent corporation.

In addition, the consolidated financial statements combine the financial position and results of operations of the commercial casinos operations at Casino Rama, Casino Niagara and Casino Windsor, and the slot operations at The Great Blue Heron Charity Casino.

(b) Revenue recognition:

Revenue for lottery games, for which results are determined based on a draw, is recognized when the draw takes place. Revenue for INSTANT games is recognized when the ticket is activated for play by the retailer. Revenue for sports wagering games and SUPERSTAR BINGO are recognized when the ticket is sold to the consumer. Tickets issued as a result of the redemption of free ticket prizes are not recorded as revenue.

Gaming revenue from slot and table game operations represents the net win from gaming activities, which is the difference between amounts earned through gaming wagers less any payouts from those wagers. The retail value of accommodation, food, beverage and other items provided on a complimentary basis to customers has been included in revenue and a corresponding amount has been deducted as promotional allowances. Costs of providing promotional allowances have been included in the statement of operations under direct operating expenses.

(c) Pre-opening and deferred development expenditures:

Certain expenditures, consisting of compensation, consulting and other costs incurred in connection with the development and opening of racetrack slot operations and casinos are deferred and amortized over periods ranging from one to three years, commencing with site opening.

Expenditures, consisting of compensation, consulting and other costs incurred in connection with the development of a management information system are deferred and amortized over a five year period.

(d) Capital assets:

Major capital expenditures with a future useful life beyond the current year are capitalized at cost and are amortized on a straight line basis according to their estimated useful lives, as follows:

Buildings	10 to 50 years
Furniture and fixtures	3 to 10 years
Leasehold improvements	5 to 15 years
Lottery game assets	3 to 10 years
Casino and racetrack slot operation gaming assets	5 years

Capital assets are amortized when brought into operations.

Construction in progress is stated at cost. Costs will be amortized commencing upon completion of the related project. Interest on debt used to finance major additions to capital assets is capitalized during the construction phase. The interest cost is determined using the interest rate on incremental debt incurred by the Corporation to finance these capital assets. Interest capitalized is amortized over the same period as the related asset.

(e) Assets contributed to Chippewas of Rama and deferred charges:

Assets contributed to Chippewas of Rama, consisting primarily of funding for the construction of a community centre, senior centre and certain infrastructure facilities, are amortized over the term of the related development and operating agreement. Deferred charges consist primarily of financing fees which are amortized over the term of the related debt.

(f) Foreign currency translation

Monetary assets and liabilities are translated at the year end exchange rates. Non-monetary assets and liabilities are translated at historical exchange rates. Statement of operations items are translated at the rate of exchange in effect at the transaction date. Translation gains and losses are included in interest and other income in the period in which they arise, except for translation gains and losses relating to long-term debt, which are deferred and amortized over the estimated term of repayment.

(g) Derivative financial instruments

Cacona Alpha Inc. (CAI), a wholly owned subsidiary of the Chairperson of Wrydunning, is party to certain derivative financial instruments, principally interest rate swap contracts, used to manage its exposure to interest rate fluctuations on the long-term debt (note 9). These instruments are not recognized in the financial statements of the Corporation on inception. Payments and receipts under the interest rate swap contracts are recognized as adjustments to interest capitalized to construction in progress. The fair value of the interest rate swap contracts was calculated based on market conditions at year end, supplemented with a quote from a financial institution. The fair value represents the amount that would be received (paid) to terminate or replace the contracts. There are no present plans to terminate or restructure significant portions of the contracts.

(h) Concentration of credit risk

The Corporation has financial instruments that potentially expose it to concentration of credit risk. The instruments consist of cash equivalents, accounts receivable and loans receivable. Cash equivalents consist of deposits with major commercial banks. Accounts receivable includes credit extended to retailers of lottery products and patrons of commercial casinos. Loans receivable consist of loans to racetrack operators and municipalities. The Corporation performs ongoing credit evaluations of retailers, patrons, racetrack operators and municipalities and maintains reserves for potential credit losses.

(i) Financial instruments

The Corporation's financial instruments consist of cash and cash equivalents, accounts receivable, loans receivable, cash and short-term investments held for Prize Trusts, accounts payable and accrued liabilities, due to operators, due to Chairperson of Wrydunning, due to Government of Canada and long-term debt. The Corporation determines the fair value of these financial instruments using generally accepted cash flow analysis. The fair value of these financial instruments, excluding loans receivable and long-term debt, approximates carrying amounts due to the short maturities of these instruments. The fair value of loans receivable and long-term debt approximates carrying value and is calculated by discounting future cash flows using rates currently available for similar terms and maturity.

(j) Use of estimates

In conformity with Canadian generally accepted accounting principles, management of the Corporation has made a number of estimates and assumptions relating to the reporting of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period to prepare these financial statements. Actual results could differ from those estimates.

3. Cash and cash equivalents

Cash and cash equivalents includes the below noted amounts which are held in separate bank accounts:

	2007	2006
Reserves:		
Capital renewals	$ 48,206	$ 28,409
Operating	53,648	27,780
Severance	16,705	13,851
	118,559	70,040
Prize funds on deposit	21,723	14,557
	$ 140,282	$ 84,597

The Corporation has established cash reserves in accordance with various operating agreements. For the following purposes:

- Capital renewals and/or for capital asset additions other than normal repairs or major renovations;
- Operating reserve to satisfy specified obligations in the event that revenue will be insufficient to meet such obligations; and
- Severance reserve to satisfy certain obligations of the Corporation arising from termination or layoff of employees of an operation in connection with the termination of an operation.

As per funds on deposit are funds set aside representing the gross estimate for gross outstanding loss or estimate for losses not reported to be covered by players.

Current and non-current assets include funds held (deposits) amounting to $[illegible] ([illegible]) and $[illegible] ([illegible]) relating to [illegible] and [illegible] respectively.

5. Pre-opening and deferred development expenditures

Pre-opening and deferred development expenditures consist of:

	Cost	Accumulated Amortization	[illegible] Net Book Value	[illegible] Net Book Value
Pre-opening expenditures:				
Commercial casinos	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Charity casinos	[illegible]	[illegible]	[illegible]	[illegible]
Racetrack slot operations	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]
Deferred development expenditures	[illegible]	[illegible]	[illegible]	[illegible]
	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]

6. Loans receivable

The Corporation has loaned funds to racetrack operators for the purpose of extending their funding to acquire/operate the Corporation's slot operations. The loans are secured by first mortgages and general security agreements, and generally bear interest at the bank's prime rate, repayable over periods ranging from one to ten years. The amounts will be recovered under an agreed upon formula from withholding of commissions that would otherwise be payable to the slot route operators. The Corporation has also loaned funds to a municipality for purposes of infrastructure improvements. The amount will be recovered from the municipality's commissions otherwise payable.

The Corporation is committed to loan a further $[illegible] to three separate operators and to a maximum of $[illegible] to two municipalities.

5. Capital Assets

Capital assets consist of:

	Cost	Accumulated Depreciation	2021 Net Book Value	2020 Net Book Value
Land	$ [illegible]	$ —	$ [illegible]	$ [illegible]
Buildings	[illegible]	[illegible]	[illegible]	[illegible]
Furniture and Fixtures	[illegible]	[illegible]	[illegible]	[illegible]
Leasehold Improvements	[illegible]	[illegible]	[illegible]	[illegible]
Library Materials	[illegible]	[illegible]	[illegible]	[illegible]
Capital Lease Buildings:				
Less Accumulated Depreciation	[illegible]	[illegible]	[illegible]	[illegible]
Construction in Progress	[illegible]	—	[illegible]	[illegible]
	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]

During the year, the Corporation capitalized interest amounting to $ [illegible] (2020 - nil).

6. Assets Classified as Held for Sale and Related Liabilities

	Cost	Accumulated Depreciation	2021 Net Book Value	2020 Net Book Value
Assets classified as:				
Buildings	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Machinery	[illegible]	[illegible]	[illegible]	[illegible]
	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]

7 [illegible]

[illegible]

8 [illegible]

[illegible]

9 [illegible]

	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible] including capitalized interest, land rent and overhead current contributions. In addition, Cuprite Mining Inc., a wholly owned subsidiary of the Corporation of Mollusaming, entered into a banking agreement, which provides for a $125,000,000 non-revolving term credit facility for the project, of which $97,000,000 has been advanced at March 31, 2002. The development and operating agreement for Cuprite Mollusc, among other things, that principal and interest payments under the credit facility be made from the gross revenues of the Cuprite Mollusc in thirteen principal installments of 2.5% of the initial outstanding amount and a final installment of the outstanding balance. The first installment is due on the last day of the first fiscal quarter following the end of the construction period, as defined.

The credit facility bears interest at bank prime plus 1.5% up to and including June 27, 2002 and between bank prime and bank prime plus 1.5% thereafter, dependent on conditions outlined in the credit facility. Bank prime at March 31, 2001 is 6.75%. Interest paid during the year amounted to $1,481,000. An interest rate swap contract, which matures on June 30, 2007, was entered into with an original notional principal of $125,150,000. The balance under the contract at March 31, 2001 amounted to $97,750,000. The contract results in a fixed rate of 6.68% on the outstanding notional amount. The interest rate risk exposure is minimal at March 31, 2001. The net interest rate receivable payable under the contract is settled quarterly with the counter party, which is a Canadian chartered bank. The fair value of the interest rate swap contract, which represents the amount that would be paid to terminate or replace the contract as at March 31, 2001, is $6,237,000.

As security for the funds advanced under the credit facility, a first ranking charge over all of the Cuprite Rome completion assets and all assets financed under the facility, with the exception of the contract lands acquired to accommodate processing/packing facilities and other areas, has been granted.

The principal repayments expected to be made over the next five years from the cash flow of the complex are approximately as follows:

2002	$ 5,814
2003	12,500
2004	12,500
2005	12,500
2006	12,500

16. Commitments

(a) Obligations under operating leases

The Corporation has entered into several leases for properties and equipment. The future minimum lease payments are approximately as follows:

2002	$ 19,000
2003	12,400
2004	8,100
2005	4,270
2006	2,500
	46,140
Thereafter	14,250
	$ 60,390

(b) Suppliers

The Corporation has computer hardware and maintenance agreements with future annual payments of approximately:

2002	$ 2,500
2003	1,750
2004	1,677
2005	800
	$ 6,227

(c) Lotteries

The Corporation has purchase agreements with suppliers for ticket printing services and on-line supplies. A commitment for purchases in amounts up to $14,000,000 is in force until May 2004.

(d) Casino Windsor

In connection with the acquisition of the land use for the permanent casino complex in Windsor, Ontario, the Corporation agreed to provide the City of Windsor with a fixed return over 25 years with payments commencing May 1, 1998 in the amount of $2,800,000 per annum for the first ten years and $2,940,000 per annum for the last ten years.

(e) Casino Niagara

In connection with the acquisition of the land site for the permanent casino complex in Niagara Falls, Ontario, the Corporation agreed to provide the Corporation of the City of Niagara Falls (the City) with a fixed return over 25 years with payments commencing December 7, 2000 in the amount of $2,800,000 per annum for the first ten years and $2,940,000 per annum for the last ten years. In addition, the Corporation is obligated to reimburse the City for the Corporation's share of certain infrastructure costs, amounting to $3,500,000. The Corporation has also agreed to contribute $13,000,000 towards the acquisition of certain lands in Niagara Falls, Ontario. This acquisition has not yet been completed.

On May 29, 1998 the Corporation signed a master development agreement with Falls Management Company for the construction and development of a permanent casino complex in Niagara Falls, Ontario. The cost for the construction and development of the permanent casino complex is estimated at $460,000,000, plus any applicable GST.

(f) Casino Rama

The Corporation is in discussions with the Chippewas of Rama regarding payments for fire protection services given Ramajoining First Nation Fire Department. A draft agreement requires the Corporation to reimburse the Chippewas of Ramajoining an annual amount equal to 7% of the First Nation's annual operating budget, including capital expenditures as defined in the agreement, through July 31, 2017.

(g) Charity Casinos

The Corporation is committed to the construction of a charity casino in eastern Ontario at an estimated cost of $14,000,000.

(h) Racetrack Slot Operations

As at March 31, 2001, the Corporation is committed to the establishment of a further three racetrack slot operations at an estimated cost of $21,150,000.

15. Contingencies

(a) The Corporation is from time to time involved in various legal proceedings of a character normally incidental to its business. The Corporation believes that the outcome of these outstanding claims will not have a material impact on these financial statements. Settlements, if any, concerning these contingencies will be accounted for as a charge to the statement of operations in the period in which the settlement occurs.

(b) A lease agreement between the Corporation and Rideau Leaf Entertainment Inc. for the Ottawa casino complex in Nepean, Ontario, provides that the Corporation shall repair any damage caused by the removal of gaming equipment and other trade fixtures. The nature and expected costs of the removal of assets are not determinable at this time. Accordingly, no accrual for these costs has been provided for in the financial statements. The Corporation is not required to restore the premises to its original state when the lease expires.

12. Segmented information:

Sector Activity	Lotteries	Commercial Casinos	Charity Casinos	Racetrack Slot Operations	2001 Total	2000 Total
Revenues:						
Lotteries	$ 2,157,159	$ –	$ –	$ –	$ 2,157,159	$ 2,201,413
Slots	–	1,318,531	255,776	1,034,656	2,608,963	1,920,571
Tables	–	457,209	50,435	–	507,644	524,476
Non-gaming	–	159,476	12,409	818	172,703	167,622
	2,157,159	1,935,216	318,620	1,035,474	5,446,469	4,814,082
Less promotional allowances	–	102,419	4,714	–	107,133	109,196
	2,157,159	**1,832,797**	**313,906**	**1,035,474**	**5,339,336**	**4,704,886**
Operating expenses:						
Non-gaming	–	129,579	14,335	1,888	145,802	132,794
Gaming and lottery operations	86,874	282,792	69,489	80,998	520,153	421,132
Lottery prizes	1,085,335	–	–	–	1,085,335	1,090,077
Commissions	154,913	–	12,776	243,644	411,333	249,855
Marketing and promotion	38,513	197,143	15,624	66,107	317,387	230,448
Operators' fees (Note 8)	–	102,276	3,388	–	105,664	124,739
Amortization	13,490	93,302	24,502	48,294	179,588	147,411
General and administration	24,857	96,412	15,604	30,294	167,167	130,668
Facilities	–	86,526	14,146	20,964	121,636	88,130
Win tax (Note 14)	–	355,014	11,544	–	366,558	403,346
Payments to Government of Canada (Note 15)	46,016	39,407	7,340	17,656	110,419	92,192
	1,449,998	**1,382,451**	**188,748**	**509,845**	**3,531,042**	**3,110,792**
Revenues less expenses	**707,161**	**450,346**	**125,158**	**525,629**	**1,808,294**	**1,594,094**
Interest and other income, net	16,115	54,683	3,702	9,987	84,487	69,930
Net income	**$ 723,276**	**$ 505,029**	**$ 128,860**	**$ 535,616**	**$ 1,892,781**	**$ 1,664,024**

13. Pension plans:

The Corporation provides pension benefits for its permanent employees through participation in the Public Service Pension Fund established by the Province of Ontario. The Corporation's share of contributions to the Fund during the year was $5,167,000 (2000 - $4,850,000).

The operators of the commercial casinos have created defined contribution pension plans for their salaried, hourly and executive employees. The casinos are required to contribute 2% of an employee's base earnings under the salaried and hourly pension plans and 3% of an employee's base earnings under the executive pension plans. Employee basic contributions of up to 2% for the hourly pension plans and up to 3% of base earnings for the salaried and executive pension plans are permitted. The casino matches the basic contributions made by an employee. Employee voluntary contributions of up to 12% of base earnings under the hourly pension plans, up to 18% of base earnings under the salaried pension plans and up to 9% of base earnings for the executive pension plans are permitted. The pension expense for the year amounted to $13,688,000 (2000 - $13,344,000).

14. Win tax:

The Corporation remits win tax to the Province of Ontario equal to 20% of gaming revenue from commercial casinos and the slot machine facilities at The Great Blue Heron Charity Casino.

15. Payments to Government of Canada:

The Corporation made the following payments to the Government of Canada:

	2001	2000
Payments on behalf of the Province of Ontario	$ 21,314	$ 20,635
Goods and Services Tax	89,105	71,557
	$ 110,419	$ 92,192

(a) Payment on behalf of the Province of Ontario:

The provincial lottery corporations make remittances to the Government of Canada under an agreement dated August 1979 between the provincial governments and the Government of Canada. The agreement stipulates that the Government of Canada will not participate in the sale of lottery tickets.

(b) Goods and Services Tax:

Goods and Services Tax (GST) payments are made under a specific formula. This tax is in lieu of the collection of GST on lottery ticket sales and gaming revenue from the consumer. In addition, the Corporation also pays GST on certain expenditures. These payments are not recoverable.

Management's Discussion and Analysis

The following is a discussion and analysis of the results of operations of the Ontario Lottery and Gaming Corporation.

Results of Operations

The Corporation had a very successful year as it recorded total revenues of $5.3 billion, up $634.5 million or 13.5% from the combined $4.7 billion recorded in the previous year by the predecessor corporations, the Ontario Casino Corporation and Ontario Lottery Corporation. Net income was $1.9 billion, an increase of $228.8 million or 13.7%. Total payments to the Province of Ontario at March 31, 2001 were $1.8 billion, $861.0 million higher than last year. The year marked the first full year of operations for many of the Corporation's slots-at-racetracks and charity casino facilities.

In the lottery business unit, WINNER TAKE ALL and PRO•PICKS were launched during this year. Lottery revenues of $2.2 billion were $44.3 million or 2% below the previous year due to declines in various game categories. These declines were partially offset by increased LOTTO SUPER 7 sales, a result of favourable jackpot activity experienced during the year.

With the opening of Point Edward and Thunder Bay Charity Casinos and the slot operations at Great Blue Heron Charity Casino, total charity casino revenues for the year were $313.9 million, significantly ahead of the previous year's revenue of $68 million.

Racetrack sites were renovated to accommodate slot operations at Clinton, Flamboro and Hanover racetracks. Twelve slots-at-racetrack facilities were operational at March 31, 2001, generating $1 billion in revenues. This was $670.7 million above last year, as last year only nine sites were operational, and some of those for only a part of the year.

Commercial casino revenues ended the year at $1.8 billion, just $297.8 million or 14.0% lower than last year despite the increased competition from charity casinos, slots-at-racetracks and three interim casinos in Detroit, Michigan. Total patron counts at 19.6 million were only 7.7% lower than the previous year. Gross gaming revenues for each casino for the years ended March 31, 2001 and 2000 were as follows:

	2001	2000
	(in Millions)	*(in Millions)*
Casino Windsor	$ 735	$ 838
Casino Niagara	596	641
Casino Rama	445	538

During the year, the Casino Rama Revenue Agreement, which directs the distribution of the net profit of Casino Rama, was signed, as well as the Niagara Falls Casino/Gateway Project agreement.

Gaming and lottery operations expenses, at $520.2 million, increased from $421.1 million in the previous year. The increase of $99 million was a direct result of this year's growth in the number of gaming facilities. These costs include the payroll and other costs directly related to the generation of gaming and lottery revenues.

Prizes on lottery revenues were $1.1 billion or 50.3% of lottery revenues. This was slightly higher than prizes for the fiscal year ended March 31, 2000, which were 49.5% of revenues, primarily due to a change in the mix of products.

Total commissions for the year ended March 31, 2001 were $411.3 million as compared to $249.9 million for the year ended March 31, 2000. Payments to lottery retailers and bingo hall operators were $4.9 million or 3.1% lower than last year due to the decrease in lottery revenues. Payments to municipalities and racetrack owners from the charity casino and slots-at-racetrack lines of business were $256.4 million this year compared to $90.0 million last year. This increase was a direct result of more facilities being operational this year.

Marketing and promotional expenses for the fiscal year 2000/2001 totaled $317.4 million, compared to $230.4 million for the fiscal year 1999/2000, an increase of $86.9 million or 37.7%. As a percentage of lottery and gaming revenues, marketing and promotion expenses for the year ended March 31, 2001 were 6% as compared to 5% in the previous year. This increase reflects new and dynamic US-marketing initiatives of Casino Niagara as well as the launch of three new slots-at-racetrack facilities, two charity casinos and the slots facility at Great Blue Heron Charity Casino.

Operators' fees are paid to the operators of the commercial casinos and the operator at the Great Blue Heron Charity Casino slot operation. The decrease of $19.1 million from the fiscal year ended March 31, 2000 was primarily a result of lower gaming revenues realized by the commercial casinos in the current fiscal year.

Amortization expense for the fiscal year 2000/2001 amounted to $179.6 million, an increase of $32.2 million or

21.8% over the amortization expense of $147.4 million in the fiscal year 1999/2000. This increase was the result of additional charity casino and slots-at-racetracks opened in the year, as well as more sites operational for a full year.

General and administrative expenses for the fiscal year 2000/2001 were $167.2 million, an increase of $36.5 million compared to $130.7 million for the previous year. The increase was primarily due to costs associated with the Internet site development, increased shared service costs and increased costs as a result of more slots-at-racetrack and charity casino facilities being operational for a full year. Shared service costs represent the centralized Finance & Administration, Legal, Human Resources, Information Technology, Corporate Communications and Internal Audit costs incurred to support the various business lines. These costs have increased year over year as departments continue to implement programs and procedures that create the support infrastructure needed for efficient and effective operation of all business lines.

Facilities expenses also increased from last year, as more gaming sites have been operational for a full year. This fiscal year, total facilities expense was $121.6 million compared to $88.1 million for the year ended March 31, 2000.

Win tax amounting to 20% of gaming revenue from the commercial casinos and the Great Blue Heron Charity Casino slot operation was paid to the Province of Ontario and amounted to $366.6 million for the year ended March 31, 2001 compared to $403.3 million for the previous year. The decrease is directly attributable to the lower gaming revenues.

Payments to the Government of Canada include Goods and Services Tax (GST) and payments on behalf of the Province of Ontario under an agreement between the provincial governments and the Government of Canada whereby the Government of Canada will not participate in the sale of lottery tickets. Total payments of $110.4 million for the year ended March 31, 2001 have increased $18.2 million over the previous year. This was attributable to higher CST costs incurred because of higher operating costs.

Interest and other income includes interest earned, foreign exchange gains and ATM revenue. This year, OLGC realized $84.5 million, compared to $69.9 million for the fiscal year 1999/2000. The increase was due to expanded business base in fiscal year 2000/2001 as more sites were operational.

Liquidity and Capital Resources

Cash generated from operations for the current year was $2.1 billion. This was an increase of $314 million or 17.5% over the $1.8 billion generated in the previous year.

The amount expended on investing activities amounted to $288.8 million, down from the $577.4 million the prior year. These activities included the construction and set-up costs of one charity casino and three slots-at-racetrack sites; the expansion of Casino Rama facilities; and significant development of a fourth slots-at-racetrack facility and an entertainment centre at Casino Rama.

Payments to the Province of Ontario were $1.8 billion, as compared to $938.8 million for the fiscal year ended March 31, 2000. The increase was attributable to higher cash from operations and lower expenditures for investing activities. Also in the fiscal year 2000/2001, $489.1 million was distributed to First Nations. This included excess cash flow accumulated to March 31, 2000 and $79.0 million for the fiscal year ended March 31, 2001.

The Advance Funding Program, which began in fiscal 1998/99, was designed to bridge possible gaps in fundraising revenue for charities during the time between the cancellation of the three-day roving Monte Carlo events and the start-up of the charity casino program. A $40-million fund was established and the provincial government assigned responsibility for its administration to the Ontario Lottery and Gaming Corporation (formerly the Ontario Lottery Corporation). June 2000 marked the conclusion of this transitional funding program.

To ensure that the public has full access to information on the use of revenues from charitable gaming, the OLGC is mandated to list all charities that receive grants from this $40-million Advance Funding Program in its Annual Report. Organizations that received funding in 1998/99 and 1999/2000 are listed in the Annual Reports for those years. Over the duration of the program, 4,530 charitable organizations received a total of $39.5 million.

During the current fiscal year, charitable organizations received payments totaling more than $465,000. The following schedule lists the 480 charities that received funds under the Advance Funding Program during 2000/2001.

Recipient Charities 2000/2001

Admaston (TP)	**636.00**
Admaston Community Centre	
Association Northcote Community Centre	35.44
Balsam Hill Women's Institute	35.44
Community Living Renfrew County South	35.44
Community Resource Centre	35.44
Renfrew & Area Seniors Home Support	35.48
Renfrew Amateur Wrestling Club	35.44
Renfrew Figure Skating Club	35.44
Renfrew Heritage Archives	352.44
Rosebank Women's Institute	35.44
Ajax (T)	**1,100.00**
Durham Region Community	
Care Association	1,100.00
Alfred and Plantagenet (TP)	**4,000.00**
58e Scout de Fournier	500.00
Centre d'alphabétisation de Prescott inc.	500.00
Chevaliers de Colomb d'Alfred counseil	500.00
Club Optimiste de Plantagenet Treadwell	500.00
Club Optimiste de Wendover	500.00
La 50e ronde St-Thomas de Lafaivre	500.00
Le Phenix – Service	
d'intégration sociale inc.	500.00
Services communautaires de	
Prescott et Russell	500.00
Beausoleil (Christian Island) (R)	**1,000.00**
Niijii Cedar Point Post Office	1,000.00
Brampton (C)	**7,770.90**
The Sisserou Cultural Club of Ontario	7,770.90
Brantford (C)	**2,296.47**
Addiction Services of Brant	16.95
Alzheimer Society of Brant	16.95
Assumption College School Parent Council	39.55
Autism Society of Ontario	6.89
Big Brothers Association of	
Brantford & District	16.95
Big Sisters Association of Brant County Inc.	39.55
Boys & Girls Club of Brantford	39.55
Brant Alcove Rehabilitation Services Inc.	39.55

Legend:
C – City
R – First Nation Reserve
T – Town
TP – Township
V – Village

Brant Animal Aid Foundation	16.95
Brant Aquatic Club Sports Centre	39.55
Brant Figure Skating Club	39.55
Brant Historical Society	22.60
Brant United Way	45.20
Brant Victim Crisis Assistance & Referral Service	22.60
Brant Waterways Foundation	22.60
Brantford & District Association for Community Living	62.15
Brantford & District Ostomy Association	16.95
Brantford Drama League (Theatre Brantford)	39.55
Brantford Dutch Club "The Windmill"	39.55
Brantford General Hospital Foundation	22.60
Brantford General Hospital Volunteer Association	22.60
Brantford Junior Chamber of Commerce	22.60
Brantford Minor Baseball Association	16.95
Brantford Regional Arts Council	45.20
Brantford Vocational Training Association	16.95
Brantford Youth Flag Football	16.95
Brantwood Residential Development Centre	39.55
Canadian Cystic Fibrosis Foundation	28.25
Canadian Diabetes Association	39.55
Canadian Hearing Society	39.55
Canadian Mental Health Association Brant County Branch	16.95
Canadian Military Heritage Museum of Brant County	45.20
Canadian Parents for French - Brant Chapter	39.55
Canadian Red Cross Society Ontario Zone - Brantford Branch	33.99
Community Resource & Employment Services (Brantford)	45.20
Crime Stoppers of Brantford Inc.	22.60
Drug Abuse Resistance Education Brantford Inc.	39.55
Dufferin Club of Brantford	16.95
Dufferin Players Theatre Inc.	39.55
Family Counselling Centre of Brant Inc.	39.55
Family Living Group (Brant) Inc.	39.55
Friends of Myrtleville House	45.20
Glenhyrst Art Gallery of Brant Inc.	45.20
Group Home for Deaf/Blind Persons - Brantford Inc.	39.55
Homes of Learning Development	62.15
Hotinohsioni Incorporated (Brantford Native Housing)	16.95
Immigrant Settlement & Counselling Services of Brant	62.15
Jaycees Brantford Non-Profit Homes Corporation	16.95
Lions Club of Brantford (North)	22.60
Literacy Council of Brantford & District	16.95
Multi-Lingual Braille & Large Print Association	16.95
Multiple Sclerosis Society of Canada - Brant Chapter	39.55
Navy League of Canada (Ontario Division)	16.95
Nova Vita Women's Shelter Inc.	45.20
Ontario Lung Association Brant County	62.15
Ontario March of Dimes	6.89
Ontario Society for the Prevention of Cruelty to Animals Brantford Branch	39.55
Operation Lift Inc.	39.55
Optimist Club of North Brantford	45.20
Participation House Brantford	39.55
Pine Tree Native Centre of Brant	45.20
Polish Alliance of Canada Branch 10	16.95
Prison Arts Foundation	16.95
Rotary Club of Brantford Charitable Foundation	16.95
Sexual Assault Centre of Brant	22.60
Sikh Association of Brantford	16.95
St. John's Drum & Bugle Corps	62.15
St. Joseph's Parish Memorial Scholarship Fund	16.95
St. Leonard's Society of Brant	16.95
Sunshine Foundation of Canada	28.25
Telephone City Musical Society	22.60
Victorian Order of Nurses Brant-Norfolk-Haldimand Branch	22.60
Woodview Children's Centre	16.95
YM-YWCA of Brantford	22.60

Brock (TP)	**1,250.00**
Beaverton Figure Skating Club Inc.	625.00
Beaverton Minor Hockey & Ringette Association	625.00
Burk's Falls (V)	**728.00**
Burk's Falls Lions Club	728.00
Burlington (C)	**20,150.00**
Halton Region Conservation Foundation	20,000.00
Halton Women's Place	150.00
Caledon (T)	**6,500.00**
Caledon Victim Services	500.00
Charleston Residential School	2,000.00
Rotary Club of Bolton	4,000.00
Carlow (TP)	**(544.00)**
Community Health Services Foundation (cancelled prior year)	(544.00)
Cavan Millbrook North Monaghan (TP)	**1,500.00**
Peterborough Junior Lacrosse Club	500.00
The Otonabee Region Conservation Foundation	1,000.00
Chatham-Kent (C)	**10,000.00**
Alzheimer Society Chatham-Kent	217.39
Brain Injury Association of Chatham-Kent	217.39
Buxton Historic Site & Museum	217.39
Canadian Diabetes Association	217.39
Canadian Mental Health Association of Chatham-Kent	217.39
Catherine McVean IODE	217.39
Chatham & District Association for Community Living	217.39
Chatham Cycling Club	217.39
Chatham Kinette Club	217.39
Chatham Kinsmen Club	217.39
Chatham Minor Baseball Association	217.40
Chatham Professional Firefighters	217.39
Chatham Sports Hall of Fame	217.39
Chatham-Kent Family YMCA	217.39
Chatham-Kent Sexual Assault Crisis Centre	217.39
Chatham-Kent Transition House	217.39
Dresden Marina & Parks	217.39
Epilepsy Sault Ste. Marie & Algoma District	217.39
Friends of the Festival of Nations	217.39
Heritage Days (Fair at The Forks)	217.39
J.C. Taylor Community Centre	217.39
Kent County Children's Treatment Centre	217.40
Kiwanis Club of Chatham-Kent Golden K.	217.40
Kiwanis Club of Ridgetown	217.39
Learning Disabilities Association of Chatham-Kent	217.40
Lions Club of Chatham	217.39
Lions Club of Highgate	217.39
Maple City Motion Gymnastics Club	217.39
Merlin Parks & Recreation	217.39
Optimist Club of Bothwell	217.39
Optimist Club of Chatham	217.39
Rotary Club of Dresden	217.40
Rotary Club of Ridgetown	217.39
Royal Canadian Legion Branch 252	217.39
St. Anne's PTA	217.39
St. Elizabeth School	217.39
Tartan Sentoma Club	217.39
Thamesville Oddfellow & Rebekah Community Services	217.39
Thamesville Sentoma Club	217.39
Tilbury Information & Help Centre	217.40
United Way of Kent County	217.39
Victorian Order of Nurses Chatham-Kent	217.35
Wallaceburg & Sydenham District Association for Community Living	217.39
Wallaceburg Minor Soccer	217.39
Westover Treatment Centre	217.39
Wheatley Friendship Club	217.39
Clarence-Rockland (C)	**13,046.10**
Centre culturel la Source-Famille	775.60
Centre d'aide de Rockland	775.60
Club de patin de Rockland	193.90
Club Heritage Âge d'or	484.75
Club Optimiste de Rockland	193.90
Club Optimiste de St-Pascal Baylon	484.75
Coalition des jeunes	775.60

Legend:

C City

E First Nation Reserve

T Town

TP Township

V Village

Comité récréatif de Cherrey inc.	484.75
La télévision communautaire de Rockland inc.	775.60
Le centre d'alphabétisation moi j'apprends du Comté de Russell inc	775.60
Le partage	193.90
Lions Club of Rockland	484.75
Sport Action	6,865.70
Union culturelle des Franco-Ontariennes de Rockland	193.90
Union culturelle Franco-Ontarienne de Bourget	193.90
Union des associations paroissiales de Clarence Creek (UAPCC)	193.90
Deep River (T)	**(521.55)**
Teen Activity Centre (cancelled prior year)	(521.55)
Dubreuilville (TP)	**1,100.00**
Dubreuilville Volunteer Fire Brigade	550.00
Filles d'Isabelle	550.00
East Gwillimbury (T)	**1,650.00**
Association for Differently Abled People Together (ADAPT)	1,000.00
Boy Scouts of Canada	600.00
Lions Club of Mount Albert & District	600.00
Optimist Club of East Gwillimbury (cancelled prior year)	(1,650.00)
Sharon Temple Museum Society	150.00
Elliot (TP)	**2,362.00**
Independent Order of Oddfellows Melbourne Lodge 344	2,362.00
Fenelon Falls (V)	**582.35**
Rotary Club of Fenelon Falls	582.35
Front of Leeds and Lansdowne (TP)	**753.75**
Front of Leeds & Lansdowne Historical Society	150.75
Canonique & Area Services to Assist Independent Living (SAIL)	150.75
Lansdowne Agricultural Society	150.75
Thousand Islands Foundation for the Performing Arts	150.75
Willowtree Day Care Child Care	150.75
Gauthier (TP)	**301.50**
Kiwanis Club of Kirkland Lake Inc.	301.50
Huntsmount (T)	**141.55**
Caledonia Minor Handball Association	47.17
Lions Club of Fisherville District	47.19
Rotary Club of Caledonia	47.19
Halton Hills (T)	**6,721.00**
Halton District School Board (George Kennedy Public School)	3,240.00
Halton Region Conservation Foundation	3,481.00
Hamilton (C)	**10,000.00**
Junior Achievement of Hamilton-Wentworth	5,000.00
Settlement & Integration Services	5,000.00
Hamilton (TP)	**1,400.00**
Cones Landing Hall Board	700.00
Harwood Park Board	700.00
Kitchener (C)	**9,000.00**
YMCA of Kitchener-Waterloo	4,000.00
Lakeshore (T)	**15,230.00**
Belle River & District Community Information Centre	3,537.32
Belle River Firefighters Association	884.00
Comber & District Historical Society	884.00
Comber Agricultural Society	3,768.76
Good Neighbour Club of Belle River	884.00
Imperial Order Daughters of the Empire - IODE	442.00
Knights of Columbus Council	884.00
Lakeshore Township Community Day Care Centre	1,326.00
Lighthouse Cove & District Chamber of Commerce	442.00
Loreto Club of Stoney Point	2,652.00

Lions Club of Lighthouse Cove & District	$864.00
Lions Club of Stoney Point	$864.00
Optimist Club of Condor	1,226.00
Rotary Club of Belle River	$864.00
Royal Canadian Legion	$864.00
Royal Canadian Legion, Branch 284 Ladies Auxiliary	$864.00
Stoney Point No. 4 Unit 4 Pearl	442.00
Stoney Point Lion's Club	$864.00
Sun County Mill Rites Hockey Association	221.00
Tilbury Curl & Curling Club	221.00
Leamington (7)	**2,705.00**
Sun Parlour Youth Curling Association	2,705.25
London (1)	**1,949.00**
Theatre London	1,949.00
Longlac (7)	**1,378.10**
Le Club Francophone de Longlac	188.41
Longlac Community Health Centre	274.04
Longlac Figure Skating Club	188.41
Longlac Historical Society	188.41
Longlac Minor Hockey	188.45
Longlac Senior Citizen Club	188.41
Regionale Joseph Marie Cosmos	188.45
St. John in the Wilderness Interdenominational Church	188.04
Markham (7)	**3,284.39**
Markham Transit for the Disabled Charitable Foundation	3,284.39
Milton (7)	**7,349.49**
Halton Region Conservation Foundation	7,349.49
Mississauga (1)	**10,736.39**
Alzheimer's Society of Peel	$13.04
Canadian Colon Hideout Foundation	$13.39
Canadian Diabetes Association	$13.39
Credit Valley Hospital	$13.39
Family Services of Peel	$13.39
Hoodapalt Interfaith Peel Association	$13.39
Foundation Mississauga Queensway Hospital	$13.39
Hospice of Peel Inc.	$13.39
John Howard Society of Peel	$13.39
Lung Association of Peel	$13.39
Nexus Youth Services	$13.39
Our Place (Peel)	$13.39
Peel Association for Handicapped Adults	$13.39
Peel Children's Centre	$13.39
Peel Family Education Centre	$13.39
Peel Info Aids	$13.39
Peel Literacy Guild Inc.	$13.39
Peel Memorial Hospital Foundation Inc.	$13.39
Providers of Comprehensive Services to Victims of Circumstance in Peel	$13.39
Rapport Youth & Family Counselling of Peel	$13.39
Sexual Assault Rape Crisis	$13.39
Supportive Housing in Peel	$13.39
Volunteer Centre of Peel	20,264.79
Orono (17)	**3,799.49**
Family Transition Place	3,799.04
Pembroke (1)	**(245.45)**
Port Stuart Minor Hockey Association cancelled prior year	(245.45)
North Bay (1)	**(3,439.42)**
Big Brothers Association	(237).77
Big Sisters Association	(237).77
Community Living North Bay & District	(237).77
Ticket Wild Fund	(1,45).54
Low Income People Involvement	(237).77
North Dumfries (17)	**2,824.72**
Ayr Minor Softball Association	274.96
Ayr Ringette Association	274.96
Ayr Pony Band	274.96
Big Brothers Association of Cambridge Inc.	274.96
Canadian Pink Reflecting Championship	274.96
North Dumfries Pre-School Co-Operative Inc.	274.96
Waterloo Rural Child Care	274.96
Norwich (17)	**2,745.49**
South Norwich Historical Society	$ 230.49

Oakville (T)	**10,000.00**
Halton Region Conservation Foundation	10,000.00
Orleans (C)	**25,000.00**
Big Brothers Association of Orleans-Wholby	10,000.00
Navy League of Canada Orleans Branch and Women's Auxiliary	7,500.00
Orleans Young Women's Christian Association	2,500.00
Owendale-South Monaghan (TP)	**2,000.00**
The Owendale Region Conservation Foundation	2,000.00
Ottawa (C)	**0**
Cedar Centre	427.50
Ottawa Ice Rinks Hockey Association (cancelled grant year)	427.50
Perth East (TP)	**6,000.00**
Lions Club of Mountain	750.00
Mountain Agricultural Society	750.00
Shayne Drum Corps Association	750.00
Spencer Club of Elma	750.00
Spencer Club of Wainwright	750.00
Spa Arc. Club of Shakespeare	750.00
Roman Catholic Episcopal Corporation Province of London	750.00
Wainwright Athletic Association	750.00
Shakespeare & Community Athletic Association	750.00
Peterborough (C)	**6,270.97**
Peterborough Junior Lacrosse Club	1,458.55
The Shoreline Region Conservation Foundation	2,262.14
Pickering (TP)	**337.50**
Pickering Township Parent-Child Resource Centre	337.50
Rideau (TP)	**6,000.00**
Friends of the North Queen Library	285.20
Kinsmen Club of Mountain	427.50
Lions Club of Mountain	427.50
Lions Club of North Queen	427.50
Rockborough Community Recreation Association	427.50
North Queen Recreation Association	570.00
North Queen Volunteer Fire Fighters Association	427.50
Township of Rideau Senior Citizens' Services Centre Inc.	570.00
Women's Aid Assistance Inc.	570.00
Russell (TP)	**6,750.00**
Centre culturel Le Carrefour des arts de la Russell inc.	1,000.00
Club Agricole d'Embrun	2,000.00
Canadian Mutual Aid Fund Association Embrun	1,250.00
Russell Agricultural Society	750.00
Russell Seniors	500.00
Russell Soccer Club	500.00
Sarnia (C)	**1,000.00**
Canadian Red Cross Sarnia-Lambton Branch	1,000.00
Rockwood Hotel Home for Girls (cancelled per year)	1,214.00
Sarnia Child at Youth Centre	1,214.00
Sault Ste. Marie (C)	**1,000.00**
Kinette Club of Sault City	2,460.07
Sharon French Northern Foundation	1,500
Shirley (T)	**100.00**
Lighthouse Factory Theatre Corporation	95.70
Norfolk General Hospital	95.70
South Dorchester (TP)	**200.00**
Rockborough Junior Lacrosse Club	200.00
South Bruce Peninsula (T)	**1,275.00**
Animal Care Network	212.50
Canadian Cystic Fibrosis Foundation	212.50
Canadian Hearing Society	212.50
Canadian National Institute for the Blind	212.50
Community Living Bluewood & District	212.50
Friends of Gateway	212.50

Advance Long Association	13,000
Regency Waiting Association	
Technology Challenged Apartments	13,000
Amalgamated Literacy Bank	148,000
Bureau for Alumni Co-operatives	
Barclay Global Inc.	218,000
Symposium (TF)	**14,000,000**
Society of Colonial County Museum	1,000,000
Sanitary Centennial Recycling Bank	1,000,000
Measuring Intercity Global Council	1,000,000
Co-Lake Of Quality Electric Investor	1,000,000
St. Barclay HPV Regional Governing Symphony	1,000,000
St. Collaborative (V)	**37,313,000**
Will Regency	2,000,000
Young Chartered Collective Regency	500,000
Ambulance Hard for Public	
Recovery Regency of Regency	1,000,000
Canadian Mental Health Environment	500,000
Canadian Red Cross Society	
St. Collaborative, Theatre for Animals	500,000
Children's Hall Society of	
the Regency Region	500,000
Community Emergency of Record Inc.	500,000
Experience Of Work / Experience	
Self-Help Group of Regency Region	500,000
Runway Centre Regency Inc.	500,000
Housing Help Centre of	
St. Collaborative for Theatre	500,000
Professional Regency	500,000
Church for Mental Regiment Home	500,000
Lions Club Of Caribbean Inc.	500,000
Renaissance, St. Conventional Marketing	1,000,000
Multiple Sclerosis Society of Canada	
St. Collaborative for Kidney Chapter	500,000
Navy League of Canada	
St. Collaborative Alumni	500,000
Regency Artistic Company	500,000
Regency Children's Factory	500,000
Regency Regular Garage Research Centre Inc.	500,000
Regency Rehabilitation Environment	1,000,000
The Settlement Planning Club	500,000
Rainbow Hall Arts Centre	500,000

Breast Hospital Foundation	500,000
Breast Hospital Workers	
Services Fundraising Process	500,000
St. Collaborative Children's Centre for	
Learning Club	500,000
St. Collaborative Environment	
for Community Living	500,000
St. Collaborative Cancer Hospital Foundation	500,000
St. Collaborative Mental Health Environment	500,000
St. Collaborative Regency Service for Youth	1,000,000
Associate Nurses of St. Collaborative	500,000
Work Cure Charity Event	500,000
Women's Place for Collaborative Art Council	500,000
St. Training (J)	**3,000,000**
Multiethnic Society of Aged St. Training	100,000
Art Gallery Foundation	
of St. Training and Aged	100,000
Arthritis Society of Canada	100,000
Canadian Cancer Advisory Foundation	100,000
Canadian Mental Health Environment	100,000
Architects Hall	100,000
Aged Amalgamated for Construction Living	100,000
Aged Academic Foundation	100,000
Aged Charity Working Retirement Homes	100,000
Aged Military Museum	100,000
Conference College of	
Applied Arts and Technology	100,000
Future Farm Party Alcohol Poverty Association	100,000
Society of St. Training Public Library	100,000
Homeless Shelter Association	100,000
Imperial Order Daughters of the Empire	
(IODE) - Lieutenant Chapter	100,000
(IODE) - Humber Lodge Chapter	100,000
(IODE) - Sterling Chapter	100,000
Lions Club of St. Training	100,000
Lions Club of Private Art Museum	100,000
Lions Club of St. Training	100,000
Air Force Group	100,000
Armour Heights Library of Metaphysics	
St. Training Astrophysical Services	100,000
Sports Club of St. Training	100,000
Royal Canadian Legion Branch 51	100,000
Scouts Canada Society of Canada	100,000

Annual Magic Conference	
Woodstock – Dr. Theresa Ryan	$3,125
Auditor's Master's committee to	
Restaurant Society	$3,125
Dr. Smith's Church	$3,125
Dr. John's Vaughan's Church	$3,125
Dr. Theresa Ryan Church	
Mary Elizabeth Association	$3,125
Dr. Theresa's Agent Time for Kids Club	$3,125
Dr. Theresa Performing Arts	$3,125
Dr. Theresa Seniors Center	$3,125
Dr. Theresa Dance Club	$3,125
Dr. Theresa Age Considerable Man's Club	$3,125
Dr. Theresa Age Church	
Vineyard Church Of Oak Park	$3,125
Dr. Theresa Age	
Jessica Weaver Foundation	$3,125
Summer Foundation of Canada	$3,125
Adam Tom Memorial Lodge #15 - Theresa	$3,125
Great Day Service Age R. Theresa	$3,125
Amazing Kidds of Theresa	
Middleton Age Church	$3,125
Wellington Street Public School	
Youth Teacher Association	$3,125
Mark and Co. Theresa Age	$3,125

Dunlop-Hamilton (10)	**($21,125)**
County of Parent Association	
Church Association	($3,125)
County of Farming Fields - Dunlop	($3,125)
Love Valley Farming and Ranch	($3,125)
Apollo Recreational Rowing Association	($3,125)
Rotary Club of Farming	($3,125)
Rotary Foundation Apple Harvest Fair	($3,125)
Farming and Ranch	
Rotary Hockey Association	($3,125)
Farming Apple Rowing Club	($3,125)
Farming Rotary Soccer Club	($3,125)

Hanna / Keith (3)	**($3,000,000)**
Basketball Hanna Parent Co-Op Inc.	($3,000,000)

Hay-Dunlop-Mackayville (10)	**($3,125)**
Apple Memorial Up to Match Rotary Inc.	($3,125)

Hayes (11)	**($3,125)**
County of Bell Lawn Park	($3,125)
County of Hayes Library	($3,125)
Maggie's Child Adult Recovery	
Technology Company	($3,125)
Rotary Long Association Maggie's Kitchen	($3,125)
Rotary Church of Christ Maggie's Kitchen	($3,125)
Bay Valley Art Club Time Rotary Church	($3,125)
Lions Park Association Dance Center	($3,125)
Church of Mary Jessica Choir Co. Society	($3,125)
Church Hanna Athletic Association	($3,125)
Church Community Advocate Group	($3,125)

Hilton Bay (1)	**($3,125)**
Philanthropy Rotary Club Inc.	($3,125)

Hunter (2)	**($3,000,000)**
Heritage Park	($3,000,000)
Hercules Society	($3,000,000)

Hamilton (10)	**($3,125)**
Hamilton Apple Harvest Society	($3,125)
Hamilton Farming Fair	($3,125)
Hamilton Hanna Country Club	($3,125)
Hamilton Rotary Church Association	($3,125)
Hamilton Technology	
Hanna Group Co Hanna	($3,125)
Hanna Group Community Church	($3,125)

Hawkesbury (1)	**($3,125)**
Hawkesbury Regional	
Festival Art Technology Inc	($3,125)

Hilltop (1)	**($3,125)**
Hilltop Technology Hardware	($3,125)
Apple Theresa Age Rotary Co-Operative	
Bay Community Co-Op	($3,125)
Hilltop Apple of Southern Region	($3,125)
Lincoln Society of Ontario	($3,125)
Big Brothers Association	
of Hanna Rotary	($3,125)
Big Sisters Association	
of Hanna Rotary Inc Lapel	($3,125)
Bay House of Hanna	
Rotary Church Centre	($3,125)

Brooklin United Church	596.79
Canadian Cystic Fibrosis Foundation	596.79
Canadian Diabetes Association	596.79
Canadian Mental Health Association - Durham Branch	596.79
Canadian Red Cross Society	596.79
Destiny Manor Addiction Treatment Services	596.79
Dr. Robert Thornton School Community Council	596.79
Durham Family Mental Health Support (cancelled prior year)	(596.79)
Durham Philharmonic Choir	596.79
Durham Region Community Care Association	596.79
Durham Synchro Club Inc.	596.79
Epilepsy Durham Region	596.79
Grandview Children's Foundation	596.79
Hospice Durham	596.79
Independent Order of Odd Fellows Beethoven Lodge 101	607.60
Junior Achievement of Durham Region	596.79
Kathleen Rowe Memorial School Parent Council	596.79
Kerry's Place Autism Services (Kirk's Place)	596.79
Kinark Child & Family Services	596.79
Kinsmen Club of Whitby Inc.	596.79
Lioness Club of Whitby	596.79
Lions Club of Brooklin District	596.79
Ontario Women's Field Lacrosse	596.79
Optimist Club of Whitby	596.79
Oshawa Young Women's Christian Association	596.79
Our Home Project for Community Living of Durham Region	596.79
Perry House Child Care Services	596.79
R.A. Sennett P.S. BreakOut Program	596.79
Rotary Club of Whitby	596.79
Rotary Club of Whitby - Sunrise	596.79
Saint Elizabeth Health Care	596.79
Serbian Orthodox Church St. Arsenije Sremac	596.79
Social Development Council Community Profile, etc.	596.79
St. Vincent de Paul Society	596.79
Substance Abuse Council for Youth in Durham Region	596.79
Whitby & District Sledge Hockey Association	596.79
Whitby Arts Inc.	596.79
Whitby County Town Carnival	596.79
Whitby Dance Troupes Parents Inc.	147.89
Whitby Figure Skating Club	596.79
Whitby Girls Hockey Association	596.79
Whitby Judo Association	596.79
Whitby Minor Baseball Association	596.79
Whitby Precision Skating Teams	596.79
Whitby Saints Basketball Association	596.79
Whitby Seniors Activity Centre	596.79
Windreach Farm	596.79
Total	**[illegible]**

Legend

C — [illegible]

E — [illegible]

T — Town

TR — Township

V — Village

As a provincial agency, the OLCC complies with the provincial *Public Sector Disclosure Act, 1996*. The Act requires government agencies to disclose on an annual basis, the names, positions, salaries and taxable benefits of employees paid $100,000 or more a year. Following is the list for 2000, providing figures for salaries and benefits respectively:

Rod Bailey, General Manager, $121,514.75, $299.04; Ron D. Barbaro, Chair and Chief Executive Officer, $349,137.52, $3,664.61; Kenneth Barnett, Regional Manager, $120,836.92, $2,467.81; Lisa Bell-Murray, Director, Corporate Accounting, $124,664.95, $324.72; Alan Berdowski, Sr. Vice President, Lotteries, $196,219.47, $15,133.03; David Billingham, Supervisor, Technical Services, $120,048.99, $133.53; Bart Calabrone, Director, Financial Planning, $115,490.69, $132.65; Antonio Carvalho, Vice President, Administration and Procurement, $140,337.75, $8,464.05; Mary Crawford, Director, Internet Development, $100,252.84, $241.50; James Cronin, Director, Corporate Communications, $141,678.06, $311.10; Tom Dalton, Senior Vice President, Finance and Administration, $198,814.72, $11,122.30; Wayne Drains, Director, Internal Audit, $112,512.03, $295.20; Francesco Ferrara, Senior Legal Counsel, $129,921.02, $258.72; Walter Ferrauanti, Vice President, Human Resources, $166,016.26, $9,448.42; Robert Frair, Project Director, IBM, $107,808.03, $280.80; Suellen Glamuzina, Director, Client Support and Consulting Services, $102,690.00, $8,564.13; Mark Henderson, Regional Manager, $105,569.15, $270.84; Bob Kozmuk, Vice President, Charity and Aboriginal Casinos, $177,852.00, $367.20; Guriars Lauvenieks, Senior Development Manager, $114,220.59, $304.09; Phil Lumsdaine, Project Manager, $102,719.12, $0.00; Robert Lester, Regional Manager, $109,604.89, $2,267.97; Robert Longmuir, Key Account Manager, $136,439.57, $314.80; David Maddocks, Senior Project Manager, $124,636.80, $2,871.59; Mark Magee, General Manager, $102,135.58, $265.22; Thomas Marinelli, Chief Technology Officer, $127,776.24, $331.20; Paul Micucci, Vice President, Racetrack Operations and Development, $189,617.71, $2,621.34; David Myers, Vice President, Sales, $129,543.70, $2,582.89; Paul Newton, General Manager, $126,600.87, $262.26; Michael Norden, Vice President, Information Technology, $181,401.33, $10,141.09; Brian Palmer, Director, Projects and Implementation, $103,230.66, $270.72; Giacomo Pastore, Manager, Municipal and Economic Development, $112,145.20, $308.90; Ingrid Peters, Vice President, Legal Services, $171,293.62, $9,441.82; Mike Redcross, General Manager, $105,371.38, $252.27; Matthew Szpakowski, Director, Marketing -Racetracks and Casinos, $114,860.40, $245.49; Cavoff Smith, General Manager, $105,842.69, $255.44; Adriana Tomie, Director, Financial Services, $124,664.88, $324.72; John Woloshuff, Vice President, Marketing, $129,543.70, $5,379.88; Brian Wood, Chief Operating Officer, $248,565.97, $8,679.65; Georges Yammine, Regional Manager, $108,011.20, $9,505.77; Jackie Zelinski, General Manager, $109,457.62, $163.58.

Members of the OLCC Board of Directors received per diems totalling $37,850.00 in 2000/2001.

Board of Directors

Ron D. Barbaro
Chair and Chief Executive Officer
June 24, 1998 - June 23, 2001

Cheryl Byrne
February 1, 2001 - January 31, 2004

Joanne DeLaurentiis
January 14, 2001 - January 13, 2003

Gerald Huck
May 27, 1998 - May 26, 2001

Peter J. Labbett
December 20, 2000 - November 30, 2003

Hugh Nichol
May 3, 2000 - May 2, 2003

Louis Elio Pamontin
December 2, 1999 - December 1, 2002

Sharon Paul
January 14, 2001 - January 13, 2002

Nicholas Perpick
January 13, 1999 - January 12, 2002

Richard A. Raymond
February 1, 2001 - March 31, 2003

Bruce H. Reid
January 27, 1999 - March 31, 2001

Gary Reinblatt
January 13, 1999 - January 12, 2002